CALENDAR FOR THE BOARD OF DIRECTORS

CONTRA COSTA COUNTY FIRE PROTECTION DISTRICT

BOARD CHAMBERS ROOM 107, ADMINISTRATION BUILDING, 651 PINE STREET MARTINEZ, CALIFORNIA 94553-1229

JOHN GIOIA, *CHAIR*
CANDACE ANDERSEN, *VICE CHAIR*
MARY N. PIEPHO
KAREN MITCHOFF
FEDERAL D. GLOVER

DAVID J. TWA, CLERK OF THE BOARD AND COUNTY ADMINISTRATOR, (925) 335-1900
JEFF CARMAN, FIRE CHIEF

PERSONS WHO WISH TO ADDRESS THE BOARD DURING PUBLIC COMMENT OR WITH RESPECT TO AN ITEM THAT IS ON THE AGENDA, WILL BE LIMITED TO THREE (3) MINUTES.

The Board Chair may reduce the amount of time allotted per speaker at the beginning of each item or public comment period depending on the number of speakers and the business of the day.
Your patience is appreciated.

A closed session may be called at the discretion of the Board Chair.

Staff reports related to open session items on the agenda are also accessible on line at www.co.contra-costa.ca.us.

AGENDA
December 8, 2015

1:30 P.M. Convene and call to order.

CONSIDER CONSENT ITEMS (Items listed as C.1 through C.3 on the following agenda) – Items are subject to removal from Consent Calendar by request of any Director or on request for discussion by a member of the public. **Items removed from the Consent Calendar will be considered with the Discussion Items.**

PRESENTATIONS

PR.1 PRESENTATION on federal funding programs available to the Contra Costa County Fire Protection District for its ambulance transport program. (Jeff Carman, Fire Chief)

DISCUSSION ITEMS

D. 1 CONSIDER Consent Items previously removed.

D. 2 PUBLIC COMMENT (3 Minutes/Speaker)

D.3 CONSIDER accepting a report form the Fire Chief providing a status summary for ongoing Fire District activities and initiatives. (Jeff Carman, Fire Chief)

D.4 HEARING to consider adopting urgency Ordinance No. 2015-24 and Ordinance No. 2015-25, authorizing the Contra Costa County Fire Protection District to charge emergency ambulance services fees within Emergency Response Areas 1, 2, and 5 in Contra Costa County. (Jeff Carman, Fire Chief)

D.5 CONSIDER confirming adoption of Resolutions No. 2014/5 and 2015/4 that approved Memorandum of Understanding (MOU) between the Contra Costa County Fire Protection District and the United Professional Firefighters, Local 1230 and between the Contra Costa County Fire Protection District and the United Chief Officers' Association, modifying Section 14 of the MOUs. (David Twa, County Administrator)

D.6 CONSIDER accepting written acknowledgment by the County Administrator (Chief Executive Officer) that he understands the current and future costs of the health benefit changes for members of the United Chief Officers' Association and UPFF, Local 1230 and certain persons retired from classifications represented by the United Chief Officers' Association and UPFF, Local 1230, as determined by the County's actuary in the November 10, 2015 and January 9, 2015 Actuarial Reports. (David Twa, County Administrator)

CONSENT ITEMS

Personnel Actions

C.1 ADOPT Position Adjustment Resolution No. 21772 to establish the classification of Fire Investigator-56 Hour (represented), reclassify three Fire Investigators (represented) positions to Fire Investigator-56 Hour and the incumbents and abolish the classification of Fire Investigator (represented) in the Contra Costa County Fire Protection District. (Cost Neutral)

C.2 ADOPT Position Adjustment Resolution No. 21786 to add three Fire District Dispatcher (represented) positions in the Contra Costa County Fire Protection District. (100% CCCFPD Operating Fund)

Appropriation Adjustments

C.3 EMS Ambulance Transport Fund (7040): APPROVE Appropriations and Revenue Adjustment No. 5019 authorizing new revenue in the amount of $12,300,000 in the EMS Ambulance Transport Fund (7040) and appropriate it to fund expenditures related to the provision of ambulance transport services within Exclusive Operating Areas I, II and V within Contra Costa County. (100% Transport Reimbursement funds)

GENERAL INFORMATION

The Board meets in its capacity as the Board of Directors of the Contra Costa County Fire Protection District pursuant to Ordinance Code Section 24-2.402. Persons who wish to address the Board of Directors should complete the form provided for that purpose and furnish a copy of any written statement to the Clerk.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Clerk of the Board to a majority of the members of the Board of Directors less than 72 hours prior to that meeting are available for public inspection at 651 Pine Street, First Floor, Room 106, Martinez, CA 94553, during normal business hours. All matters listed under CONSENT ITEMS are considered by the Board of Directors to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Board or a member of the public prior to the time the Commission votes on the motion to adopt. Persons who wish to speak on matters set for PUBLIC HEARINGS will be heard when the Chair calls for comments from those persons who are in support thereof or in opposition thereto. After persons have spoken, the hearing is closed and the matter is subject to discussion and action by the Board. Comments on matters listed on the agenda or otherwise within the purview of the Board of Directors can be submitted to the office of the Clerk of the Board via mail: Contra Costa County Fire Protection District Board of Directors, 651 Pine Street Room 106, Martinez, CA 94553; by fax: 925-335-1913.

The District will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Clerk of the Board at least 24 hours before the meeting, at (925) 335-1900; TDD (925) 335-1915. An assistive listening device is available from the Clerk, Room 106. Copies of recordings of all or portions of a Board meeting may be purchased from the Clerk of the Board. Please telephone the Office of the Clerk of the Board, (925) 335-1900, to make the necessary arrangements. Applications for personal subscriptions to the Board Agenda may be obtained by calling the Office of the Clerk of the Board, (925) 335-1900. The Board of Directors' agenda and meeting materials are available for inspection at least 96 hours prior to each meeting at the Office of the Clerk of the Board, 651 Pine Street, Room 106, Martinez, California.

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www.co.contra-costa.ca.us

ADVISORY COMMISSION

The Contra Costa County Fire Protection District Advisory Fire Commission is scheduled to meet next on Monday, December 14, 2015 at 7:00 p.m. at the District Training Center, 2945 Treat Blvd., Concord, CA 94518.

AGENDA DEADLINE: Thursday, 12 noon, 12 days before the Tuesday Board meetings.

Glossary of Acronyms, Abbreviations, and other Terms (in alphabetical order):

The Contra Costa County Fire Protection District has a policy of making limited use of acronyms, abbreviations, and industry-specific language in its Board of Supervisors meetings and written materials. Following is a list of commonly used language that may appear in oral presentations and written materials associated with Board meetings:

AB Assembly Bill
ABAG Association of Bay Area Governments
ACA Assembly Constitutional Amendment
ADA Americans with Disabilities Act of 1990
AFSCME American Federation of State County and Municipal Employees
ARRA American Recovery & Reinvestment Act of 2009
BAAQMD Bay Area Air Quality Management District
BART Bay Area Rapid Transit District
BayRICS Bay Area Regional Interoperable Communications System
BGO Better Government Ordinance
BOC Board of Commissioners
CALTRANS California Department of Transportation
CAER Community Awareness Emergency Response
CAL-EMA California Emergency Management Agency
CAO County Administrative Officer or Office
CBC California Building Code
CCCPFD (ConFire) Contra Costa County Fire Protection District
CCHP Contra Costa Health Plan
CCTA Contra Costa Transportation Authority
CCRMC Contra Costa Regional Medical Center
CCWD Contra Costa Water District
CFC California Fire Code
CFDA Catalog of Federal Domestic Assistance
CEQA California Environmental Quality Act
CIO Chief Information Officer
COLA Cost of living adjustment
ConFire (CCCFPD) Contra Costa County Fire Protection District
CPA Certified Public Accountant
CPF – California Professional Firefighters
CPI Consumer Price Index
CSA County Service Area
CSAC California State Association of Counties
CTC California Transportation Commission
dba doing business as
EBMUD East Bay Municipal Utility District
ECCFPD East Contra Costa Fire Protection District
EIR Environmental Impact Report
EIS Environmental Impact Statement
EMCC Emergency Medical Care Committee
EMS Emergency Medical Services

et al. et alii (and others)
FAA Federal Aviation Administration
FEMA Federal Emergency Management Agency
FTE Full Time Equivalent
FY Fiscal Year
GIS Geographic Information System
HCD (State Dept of) Housing & Community Development
HHS (State Dept of) Health and Human Services
HOV High Occupancy Vehicle
HR Human Resources
HUD United States Department of Housing and Urban Development
IAFF International Association of Firefighters
ICC International Code Council
IFC International Fire Code
Inc. Incorporated
IOC Internal Operations Committee
ISO Industrial Safety Ordinance
JPA Joint (exercise of) Powers Authority or Agreement
Lamorinda Lafayette-Moraga-Orinda Area
LAFCo Local Agency Formation Commission
LLC Limited Liability Company
LLP Limited Liability Partnership
Local 1 Public Employees Union Local 1
Local 1230 Contra Costa County Professional Firefighters Local 1230
MAC Municipal Advisory Council
MBE Minority Business Enterprise
MIS Management Information System
MOE Maintenance of Effort
MOU Memorandum of Understanding
MTC Metropolitan Transportation Commission
NACo National Association of Counties
NEPA National Environmental Policy Act
NFPA National Fire Protection Association
OES-EOC Office of Emergency Services-Emergency Operations Center
OPEB Other Post Employment Benefits
OSHA Occupational Safety and Health Administration
PARS Public Agencies Retirement Services
PEPRA Public Employees Pension Reform Act
RFI Request For Information
RFP Request For Proposal
RFQ Request For Qualifications
SB Senate Bill
SBE Small Business Enterprise
SEIU Service Employees International Union
SUASI Super Urban Area Security Initiative
SWAT Southwest Area Transportation Committee
TRANSPAC Transportation Partnership & Cooperation (Central)
TRANSPLAN Transportation Planning Committee (East County)

TRE or **TTE** Trustee
TWIC Transportation, Water and Infrastructure Committee
UASI Urban Area Security Initiative
UCOA United Chief Officers Association
vs. versus (against)
WAN Wide Area Network
WBE Women Business Enterprise
WCCTAC West Contra Costa Transportation Advisory Committee

Contra Costa County

To: Contra Costa County Fire Protection District Board of Directors

From: Jeff Carman, Chief, Contra Costa County Fire Protection District

Date: December 8, 2015

Subject: Presentation on Federal Funding Programs Available to Fire-Based Ambulance Service Providers

RECOMMENDATION(S):
PRESENTATION on federal funding programs available to the Contra Costa County Fire Protection District for its ambulance transport program.

FISCAL IMPACT:
Presentation only. No fiscal impact.

BACKGROUND:
The Contra Costa County Fire Protection District, as a public 911 ambulance service provider, may be eligible for supplemental federal reimbursement for the cost of services provided to certain patients with government insurance. The federal funding programs are called Ground Emergency Medical Transport (GEMT) and Inter-Governmental Transfer (IGT). Funding from these programs is available to fire protection district's that provide ambulance services to assist in the recovery of costs associated with providing ambulance services to patients with government insurance (e.g., Medicaid).

Medi-Cal (California's version of Medicaid) reimburses ambulance providers at rates significantly less that the cost of providing ambulance services. California law prohibits ambulance providers from billing the patient for the difference between the ambulance cost and Medi-Cal reimbursement. Therefore,

☑ APPROVE ☐ OTHER

☑ RECOMMENDATION OF CNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/08/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 8, 2015

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

Contact: Jeff Carman, Fire Chief
(925) 941-3500

cc:

BACKGROUND: (CONT'D)

ambulance services operated by public agencies that meet program requirements can seek cost-based reimbursement for certain patients who are covered by Medi-Cal.

This presentation will provide an overview of the programs, describe the eligibility requirements, and provide an estimation of potential supplemental reimbursement funding available to the District.

CONSEQUENCE OF NEGATIVE ACTION:

This item is an informational presentation item only.

CHILDREN'S IMPACT STATEMENT:

No impact.

ATTACHMENTS

GEMT/IGT PowerPoint

Economic Update
CCCFPD Ambulance Service

A. P. Triton LLC©

GOALS

- Provide for a stable system
- Reduce, if not eliminate, financial risk
- Generate a positive cash flow for reinvestment

ACHIEVEMENTS

- System created at lower than actual collections
- Partnership formed to allow Federal participation
- Designed to promote cost efficiencies

MYTHS AND UNCERTAINTIES

- Reduction of insurance benefits
- Reduction in Medi-Cal reimbursement 26% down to 24%
- Excessive co-pays reduce reimbursements

FACTS

- Increased call volume + actual collection = revenue up
- GEMT is the law of the land and may double soon
- IGT’s are retrospective and unknown until applied for
- Partnership constructed to be self-sustaining without supplements

WHERE'S THE MONEY?

- Increased call volume + actual billing/collection = **$3.9 million**
- GEMT as of today = **$1.6 million**
- Total revenue 1st year based on actuals = **$5.5 million**

Contra Costa County

To: Contra Costa County Fire Protection District Board of Directors

From: Jeff Carman, Chief, Contra Costa County Fire Protection District

Date: December 8, 2015

Subject: Fire Chief's Report

RECOMMENDATION(S):
ACCEPT a report from the Fire Chief providing a status summary for ongoing Fire District activities and initiatives.

FISCAL IMPACT:
No fiscal impact.

BACKGROUND:
At the request of the Contra Costa County Fire Board of Directors, the Fire Chief is providing a report on the status and progress of the various District initiatives.

CONSEQUENCE OF NEGATIVE ACTION:
The report will not be formally accepted by the Board of Directors.

CHILDREN'S IMPACT STATEMENT:
No impact.

☑ APPROVE ☐ OTHER

☑ RECOMMENDATION OF CNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/08/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

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ATTESTED: December 8, 2015

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

Contact: Jeff Carman, 925-941-3500

cc:

ATTACHMENTS

Fire Chief
Report

Contra Costa County  ***Fire Protection District***

December 8, 2015

TO: Board of Directors

FROM: Jeff Carman, Fire Chief

RE: Fire Chief's Report

- The District completed contract negotiations with the Contra Costa County EMS Agency and AMR ambulance. The contracts were approved by the Board on November 17, 2015. A contract has been executed with our billing service provider, Intermedix, and the new transport program will officially begin on January 1, 2016. The dispatch consolidation will be delayed until February 1, 2016 due to some technical issues.

- The District completed the testing and assessment of Fire Station 16. We are still awaiting the final written report from the structural engineer. Preliminary indications are that we can proceed with our plan to renovate the station without rebuilding completely. Building plans should be drafted shortly, and once those are complete, we can go out to bid for the construction phase.

- The City of Pittsburg will be forming a Community Facilities District (CFD) for a future development project. Deputy Fire Chief Broschard and the Office of County Counsel are working with the Pittsburg city attorney to draft the agreement addressing the transfer of CFD funds to the District and the District's use of the CFD funds. We are pleased that City Manager Joe Sbranti recognized that property tax allocations alone do not support the required amount of fire and EMS protection needed by the public and additional per-parcel fees are required. The District will continue to work with the other cities we serve to develop CFDs there as well.

- The District appointed a new Deputy Fire Chief. Assistant Fire Chief Lewis Broschard was officially promoted to Deputy Fire Chief effective December 1, 2015. The Deputy Chief will work alongside the Fire Chief addressing the needs of the District at an executive level and will help perform many of the planning related tasks that simply could not be done with existing staff.

- Jared Palant and Sean Carder were promoted this month to the position of Fire Captain. Both employees bring experience and enthusiasm to their positions and will be assets to the District.

- The District continues to work with County Human Resources to hire dispatchers, a communications manager, apparatus mechanics, a fleet manager, and fire investigators.

- The District continues to work with the City of San Pablo to rebuild Fire Station 70. San Pablo has committed to providing $2 million towards building a new station. The existing Station 70 Squad agreement between the two agencies is currently being amended by County Counsel, and the District is soliciting the services of an architect so that building plans can be drafted. Once plans are in hand, the District will go out for bid for construction services.

Contra Costa County

To: Contra Costa County Fire Protection District Board of Directors

From: Jeff Carman, Chief, Contra Costa County Fire Protection District

Date: December 8, 2015

Subject: Cost Recovery for Emergency Ambulance Services

RECOMMENDATION(S):

A. OPEN the public hearing on the following two ordinances:

1. Ordinance No. 2015-24, an urgency ordinance authorizing the Contra Costa County Fire Protection District to charge emergency ambulance services fees on and from January 1, 2016, through January 7, 2016.

2. Ordinance No. 2015-25, an ordinance authorizing the Contra Costa County Fire Protection District to charge emergency ambulance services fees beginning January 8, 2016.

B. RECEIVE testimony and CLOSE the public hearing.

C. ADOPT Ordinance No. 2015-24, which becomes effective immediately and continues in effect through the end of the day on January 7, 2016.

D. ADOPT Ordinance No. 2015-25, which becomes effective on January 8, 2016.

☑ APPROVE ☐ OTHER

☑ RECOMMENDATION OF CNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/08/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 8, 2015

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

Contact: Jeff Carman, Fire Chief
(925) 941-3500

cc:

FISCAL IMPACT:

The ordinances will allow the Contra Costa County Fire Protection District to recover the costs associated with the provision of emergency ambulance services in Emergency Response Areas (ERAs) 1, 2, and 5 within Contra Costa County effective January 1, 2016.

BACKGROUND:

On February 27, 2015, the Contra Costa County EMS Agency (CCCEMSA) posted the 2015 Contra Costa County Request for Proposals (RFP) for Emergency Ambulance Service for ERAs 1, 2, and 5 within the County. The deadline for receipt of the proposals was May 21, 2015. A single proposal was submitted jointly by the Fire District and American Medical Response West (AMR). The Fire District and AMR worked cooperatively as the "Alliance" to submit their proposal in which the Fire District will contract with the County for the provision of emergency ambulance services with AMR as its subcontractor.

The Alliance bid was subsequently reviewed and scored by a multi-disciplinary proposal review panel. Concurrent with the RFP review panel process, an independent financial analysis and report was conducted by the County Administrator's consultant Citygate Associates, LLC, and delivered to the Board of Supervisors on July 21, 2015.

On July 21, 2015, the Board of Supervisors approved the Health Services Director recommendation to award the emergency ambulance services contract to the District and directed staff to commence with contract negotiations between the District and CCCEMSA and return with a negotiated contract for final approval. After several months of negotiations, a final contract was submitted for Board approval on November 17, 2015.

Exhibit D of the contract between Contra Costa County and the District establishes the Service Rate Schedule for emergency ambulance services. These are the rates at which patients will be billed effective January 1, 2016, for the District's delivery of emergency ambulance services.

The rates stated in the Service Rate Schedule were established by CCCEMSA with input from their RFP consultant, Fitch and Associates. A number of factors were considered in establishing the rates. Some of those factors include historical rate trends, transport volume, projections regarding current and future costs of providing ambulance services (including subcontractor and billing costs), projections regarding net collection rates based on the current payer mix in Contra Costa County, potential deteriorations of net collections due to changes in the payer mix, reimbursement caps in lower-paying government plans (e.g., Medi-Cal and Medicare),potential decreasing ambulance payments rates in commercial plans, the proliferation of high deductible plans, potential future changes in federal and state health care and health insurance laws, and the need to establish a significant reserve fund to provide some insulation from the aforementioned risks.

To determine the District's emergency ambulance response base rate of $2,100 and mileage rate of $50 per patient transport mile, CCCEMSA and its consultant reviewed the ALS 1 emergency base rate and loaded ambulance mileage rate currently being charged by AMR under its current contract with the County, and recommended a 10% increase. CCCEMSA recommended no change to the oxygen administration charge, and that it should remain $175 in 2016.

To determine if the Alliance model would be sustainable at the CCCEMSA-established rates, the District projected: (1) the number of unit (ambulance) hours needed from AMR per week (based on 2015 data) to perform under the emergency ambulance services contract; (2) the estimated average patient charge per transport; (3) the estimated net collection rate for patients receiving emergency ambulance services in Contra Costa County (4) the cost of collecting emergency ambulance services fees billed; (5) the ambulance unit hour fee paid to AMR by the District; and (6) the District's administrative staffing costs to deliver emergency ambulance services. Some of the foregoing projections were provided by Citygate Associates in its independent financial analysis and report to the Board of Supervisors.

While this analysis contains a number of assumptions, which are necessary due to the nature of the variation in recovery rates and other factors, the analysis indicates that the emergency ambulance services fees will allow

District to recover its reasonable costs of providing emergency ambulance services. As recommended by Citygate Associates, the District intends to establish a reserve fund of six months of revenues plus a capital equipment replacement reserve.

Adoption of Ordinance No. 2015-24 is necessary to avoid a threat to the public health, safety, and welfare that would result if the District cannot begin billing patients receiving emergency ambulance services until January 8, 2016. The District's contract with the County for the provision of emergency ambulance services is effective January 1, 2016. If the District were only to adopt an emergency ambulance services fee ordinance on a non-urgency basis, it would not be able to begin billing patients receiving emergency ambulance services until 30 days after adoption of the ordinance; i.e., January 8, 2016. Because of the high volume of emergency ambulance service calls provided by the District, it would forego a significant amount of revenue if it could not bill emergency ambulance service patients for emergency ambulance services until January 8, 2016. The failure to enact Ordinance No. 2015-24 may prevent the delivery of emergency ambulance services in ERAs 1, 2, and 5 of the County, and prevent the District from paying AMR as its ambulance services subcontractor between January 1, 2016, and January 7, 2016.

CONSEQUENCE OF NEGATIVE ACTION:

If the Ordinance No. 2015-24 and Ordinance No. 2015-25 are not adopted, the District will not be able to recover its costs of providing emergency ambulance services under its contract with the County.

CHILDREN'S IMPACT STATEMENT:

Approximately 10% of emergency medical service responses involve children under the age of 15.

ATTACHMENTS

Ordinance No. 2015-24

Ordinance No. 2015-25

CY2016 Service Rate Analysis

Service Contract: Contra Costa County and Contra Costa County Fire Protection District

ORDINANCE NO. 2015-24
(Uncodified)

URGENCY INTERIM COST RECOVERY ORDINANCE FOR EMERGENCY AMBULANCE SERVICES

The Contra Costa County Board of Supervisors, as and constituting the Board of Directors of the Contra Costa County Fire Protection District, ordains as follows:

SECTION I. Authority. This ordinance is enacted pursuant to Health and Safety Code sections 13910 through 13919, and Government Code section 25123.

SECTION II. Findings and Purpose.

A. Beginning January 1, 2016, the Contra Costa County Fire Protection District (the "District") will provide Emergency Ambulance Services in Emergency Response Areas 1, 2 and 5 of Contra Costa County (the "Service Area") pursuant to the Emergency Ambulance Services contract dated January 1, 2016 (the "Emergency Ambulance Services Contract"), between Contra Costa County (the "County") and the District.

B. Under the Emergency Ambulance Services Contract, the District is required to employ all resources necessary to continuously provide Emergency Ambulance Services to persons in the Service Area twenty-four (24) hours a day, every day, when requested by an emergency medical dispatch center.

C. The District does not possess the infrastructure or personnel necessary to directly perform the Emergency Ambulance Services required under the Emergency Ambulance Services Contract, and has therefore entered into an Emergency Ambulance Services subcontract with American Medical Response West (the "Ambulance Services Subcontractor"), which will provide Emergency Ambulance Services in the Service Area on the District's behalf.

D. The District responds to a high volume of calls for Emergency Ambulance Services through its Ambulance Services Subcontractor, which deploys personnel to incidents and provides Emergency Ambulance Services treatment and transport to persons at those incidents.

E. Under the Emergency Ambulance Services Contract, the County requires the District to charge Emergency Ambulance Services patients the following amounts: (1) an Emergency Ambulance Response base rate: $2,100; (2) a mileage rate (for each mile traveled with a loaded patient): $50.00 per mile; (3) an oxygen administration charge: $175.00; and (4) a treat and refused transport charge in some cases: $450.00. The District is not permitted to charge any more or any less than the foregoing rates under the Emergency Ambulance Services Contract.

F. The District has reasonably calculated its costs of providing Emergency Ambulance Services to persons at an incident. These costs include the District's costs of its Ambulance Services Subcontractor and the costs of its billing and collections subcontractor

to provide Emergency Ambulance Services on a per-patient basis. The Emergency Ambulance Services fees established by this ordinance are calculated based on the District's actual costs of providing Emergency Ambulance Services on a per-patient basis.

G. This ordinance is necessary for the District to begin billing patients receiving Emergency Ambulance Services beginning on January 1, 2016, the effective date of the Emergency Ambulance Services Contract. A threat to the public health, safety, and welfare would result if the District is unable to begin billing patients receiving Emergency Ambulance Services on January 1, 2016. This ordinance is being adopted on December 8, 2015. At the same meeting, the District is adopting a non-urgency ordinance authorizing the District to charge emergency ambulance services fees. The effective date of the non-urgency ordinance is January 8, 2016. If the District were only to adopt an Emergency Ambulance Services fee ordinance on a non-urgency basis, it would not be able to begin billing patients receiving Emergency Ambulance Services until 30 days after adoption of the ordinance; i.e., January 8, 2016. Because of the high volume of Emergency Ambulance Service calls provided by the District, it would forego a significant amount of revenue if it could not bill Emergency Ambulance Service patients for Emergency Ambulance Services until January 8, 2016. The failure to enact this urgency Emergency Ambulance Services ordinance may prevent the delivery of Emergency Ambulance Services in the Service Area and prevent the District from paying its Ambulance Services Subcontractor between January 1, 2016, and January 7, 2016.

SECTION III. Definitions. For purposes of this ordinance, the following terms have the following meanings:

(a) "ALS**"** means advanced life support emergency medical services designed to provide definitive prehospital emergency medical care that are administered by authorized personnel (i) under the direct supervision of a facility designated by Contra Costa County Emergency Medical Services Agency ("CCCEMSA") pursuant to Health and Safety Code section 1798.100, or (ii) by utilizing approved prehospital treatment protocols or standing orders as part of the County EMS system, and which are administered at the scene of an emergency, during transport to an acute care hospital or other approved facility, during inter-facility transfers, and while in the emergency department of an acute care hospital until responsibility is assumed by the emergency department or other medical staff of that hospital. ALS may include, without limitation, cardiopulmonary resuscitation, cardiac monitoring, cardiac defibrillation, advanced airway management, intravenous therapy, administration of specified drugs, and other medicinal preparations, and other specified techniques and procedures.

(b) "BLS" means basic life support emergency medical services including, but not limited to, emergency first aid and cardiopulmonary resuscitation medical care procedures which, as a minimum, include recognizing respiratory and cardiac arrest and starting proper application of cardiopulmonary resuscitation to maintain life without invasive techniques, unless authorized by state law or regulation, until the victim may be transported or until ALS medical care is available.

(c) "Emergency Ambulance Services" means emergency ambulance services involving the administration of ALS, BLS, or critical care transport, provided in response to 911 calls and/or requests for emergency medical services through a public safety agency where 911 calls are first received for a particular jurisdiction, or prehospital emergency calls received directly by the District.

SECTION IV. Emergency Ambulance Services Fees.

(a) The Emergency Ambulance Services fees to recover the District's actual costs of providing Emergency Ambulance Services to each patient are established in the amount specified in Exhibit A attached hereto and incorporated herein.

(b) During the period beginning January 1, 2016, and continuing through the end of the day on January 7, 2016, the Emergency Ambulance Services fees shall be charged to each person who receives District Emergency Ambulance Services during a single incident.

SECTION V. Fee Collection.

(a) If the District provides Emergency Ambulance Services to a person through its Emergency Ambulance Services Subcontractor, the Fire Chief, or designee, including the District's Emergency Ambulance Services billing subcontractor, will send an invoice seeking payment of the Emergency Ambulance Services fees to the person, and to the insurance company that provides medical insurance coverage for the person (the "Insurer") if the person or his or her representative has identified to the District or to its Emergency Ambulance Services Subcontractor the Insurer to which the invoice should be sent.

(b) The Fire Chief, or designee, will recommend that the District Board of Directors approve and adopt policies and procedures for invoicing, billing, and receiving payments for each Emergency Ambulance Services fee charged under this ordinance. The policies and procedures may include a process to discharge from accountability accounts that are not collectible.

SECTION VI. No Effect on Emergency Ambulance Services. This ordinance neither expands nor limits Emergency Ambulance Services. Nothing in this ordinance relieves the District from providing Emergency Ambulance Services. Emergency Ambulance Services will continue to be provided without regard to whether a person is insured by an Insurer, and without regard to whether a person has the ability to pay the Emergency Ambulance Services fees.

SECTION VII. No Waiver of Other Means of Cost Recovery. This ordinance does not preclude the District from recovering its Emergency Ambulance Services costs in any other manner authorized by law.

SECTION VIII. Severability. If any fee or provision of this ordinance is held invalid or unenforceable by a court of competent jurisdiction, that holding shall not affect the validity or enforceability of the remaining fees or provisions, and the Board declares that it would have adopted each remaining part of this ordinance irrespective of any such invalidity.

SECTION IX. DECLARATION OF URGENCY. This interim ordinance is hereby declared to be an urgency ordinance for the immediate preservation of the public safety, health, and welfare of the County, and it shall take effect immediately upon its adoption. The facts constituting the urgency of this interim ordinance's adoption are set forth in Section II.

SECTION X. Effective Period. This ordinance becomes effective immediately upon passage by four-fifths vote of the Board and shall continue in effect through the end of the day on January 7, 2016. Within 15 days after its passage, this ordinance shall be published once with the names of the directors voting for and against it in the Contra Costa Times, a newspaper published in this County.

PASSED ON _____ by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST: DAVID J. TWA,
Clerk of the Board of Supervisors
and County Administrator

_____
Board Chair

By: _____
Deputy

[SEAL]

Exhibit A

Emergency Ambulance Services Fee Calculation

For each Emergency Ambulance Service call, District shall charge the patient the Emergency Ambulance Response Base Rate, plus mileage costs at the Mileage Rate. If oxygen is administered to a patient, District shall charge the patient the Oxygen Administration Charge, whether transported or not. If a patient is treated and refuses transport, District shall charge the Treat and Refused Transport rate.

1. Emergency Ambulance Response Base Rate $2,100.00
2. Mileage Rate (for each mile traveled with a loaded patient) $50.00
3. Oxygen Administration Charge $175.00
4. Treat and Refused Transport $450.00

ORDINANCE NO. 2015-25
(Uncodified)

COST RECOVERY ORDINANCE FOR EMERGENCY AMBULANCE SERVICES

The Contra Costa County Board of Supervisors, as and constituting the Board of Directors of the Contra Costa County Fire Protection District, ordains as follows:

SECTION I. Authority. This ordinance is enacted pursuant to Health and Safety Code sections 13910 through 13919.

SECTION II. Findings and Purpose.

A. Beginning January 1, 2016, the Contra Costa County Fire Protection District (the "District") will provide Emergency Ambulance Services in Emergency Response Areas 1, 2 and 5 of Contra Costa County (the "Service Area") pursuant to the Emergency Ambulance Services contract dated January 1, 2016 (the "Emergency Ambulance Services Contract"), between Contra Costa County (the "County") and the District.

B. Under the Emergency Ambulance Services Contract, the District is required to employ all resources necessary to continuously provide Emergency Ambulance Services to persons in the Service Area twenty-four (24) hours a day, every day, when requested by an emergency medical dispatch center.

C. The District does not possess the infrastructure or personnel necessary to directly perform the Emergency Ambulance Services required under the Emergency Ambulance Services Contract, and has therefore entered into an Emergency Ambulance Services subcontract with American Medical Response West (the "Ambulance Services Subcontractor"), which will provide Emergency Ambulance Services in the Service Area on the District's behalf.

D. The District responds to a high volume of calls for Emergency Ambulance Services through its Ambulance Services Subcontractor, which deploys personnel to incidents and provides Emergency Ambulance Services treatment and transport to persons at those incidents.

E. Under the Emergency Ambulance Services Contract, the County requires the District to charge Emergency Ambulance Services patients the following amounts: (1) an Emergency Ambulance Response base rate: $2,100; (2) a mileage rate (for each mile traveled with a loaded patient): $50.00 per mile; (3) an oxygen administration charge: $175.00; and (4) a treat and refused transport charge in some cases: $450.00. The District is not permitted to charge any more or any less than the foregoing rates under the Emergency Ambulance Services Contract.

F. The District has reasonably calculated its costs of providing Emergency Ambulance Services to persons at an incident. These costs include the District's costs of its Ambulance Services Subcontractor and the costs of its billing and collections subcontractor to provide Emergency Ambulance Services on a per-patient basis. The Emergency

Ambulance Services fees established by this ordinance are calculated based on the District's actual costs of providing Emergency Ambulance Services on a per-patient basis.

SECTION III. Definitions. For purposes of this ordinance, the following terms have the following meanings:

(a) "ALS**"** means advanced life support emergency medical services designed to provide definitive prehospital emergency medical care that are administered by authorized personnel (i) under the direct supervision of a facility designated by Contra Costa County Emergency Medical Services Agency ("CCCEMSA") pursuant to Health and Safety Code section 1798.100, or (ii) by utilizing approved prehospital treatment protocols or standing orders as part of the County EMS system, and which are administered at the scene of an emergency, during transport to an acute care hospital or other approved facility, during inter-facility transfers, and while in the emergency department of an acute care hospital until responsibility is assumed by the emergency department or other medical staff of that hospital. ALS may include, without limitation, cardiopulmonary resuscitation, cardiac monitoring, cardiac defibrillation, advanced airway management, intravenous therapy, administration of specified drugs, and other medicinal preparations, and other specified techniques and procedures.

(b) "BLS" means basic life support emergency medical services including, but not limited to, emergency first aid and cardiopulmonary resuscitation medical care procedures which, as a minimum, include recognizing respiratory and cardiac arrest and starting proper application of cardiopulmonary resuscitation to maintain life without invasive techniques, unless authorized by state law or regulation, until the victim may be transported or until ALS medical care is available.

(c) "Emergency Ambulance Services" means emergency ambulance services involving the administration of ALS, BLS, or critical care transport, provided in response to 911 calls and/or requests for emergency medical services through a public safety agency where 911 calls are first received for a particular jurisdiction, or prehospital emergency calls received directly by the District.

SECTION IV. Emergency Ambulance Services Fees.

(a) The Emergency Ambulance Services fees to recover the District's actual costs of providing Emergency Ambulance Services to each patient are established in the amount specified in Exhibit A attached hereto and incorporated herein.

(b) The Emergency Ambulance Services fees shall be charged to each person who receives District Emergency Ambulance Services during a single incident.

(c) The District Board of Directors (the "Board") may adjust the amount of the Emergency Ambulance Services fees established by this ordinance pursuant to Health and Safety Code section 13916.

SECTION V. Fee Collection.

(a) If the District provides Emergency Ambulance Services to a person through its Emergency Ambulance Services Subcontractor, the Fire Chief, or designee, including the District's Emergency Ambulance Services billing subcontractor, will send an invoice seeking payment of the Emergency Ambulance Services fees to the person, and to the insurance company that provides medical insurance coverage for the person (the "Insurer") if the person or his or her representative has identified to the District or to its Emergency Ambulance Services Subcontractor the Insurer to which the invoice should be sent.

(b) The Fire Chief, or designee, will recommend that the District Board of Directors approve and adopt policies and procedures for invoicing, billing, and receiving payments for each Emergency Ambulance Services fee charged under this ordinance. The policies and procedures may include a process to discharge from accountability accounts that are not collectible.

SECTION VI. No Effect on Emergency Ambulance Services. This ordinance neither expands nor limits Emergency Ambulance Services. Nothing in this ordinance relieves the District from providing Emergency Ambulance Services. Emergency Ambulance Services will continue to be provided without regard to whether a person is insured by an Insurer, and without regard to whether a person has the ability to pay the Emergency Ambulance Services fees.

SECTION VII. No Waiver of Other Means of Cost Recovery. This ordinance does not preclude the District from recovering its Emergency Ambulance Services costs in any other manner authorized by law.

SECTION VIII. Severability. If any fee or provision of this ordinance is held invalid or unenforceable by a court of competent jurisdiction, that holding shall not affect the validity or enforceability of the remaining fees or provisions, and the Board declares that it would have adopted each remaining part of this ordinance irrespective of any such invalidity.

SECTION IX. Effective Date. This ordinance becomes effective 30 days after its passage. Within 15 days after its passage, this ordinance shall be published once with the names of the directors voting for and against it in the Contra Costa Times, a newspaper published in this County.

PASSED ON _____ by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST: DAVID J. TWA,
Clerk of the Board of Supervisors
and County Administrator

_____
Board Chair

By: _____ [SEAL]
Deputy

Exhibit A

Emergency Ambulance Services Fee Calculation

For each Emergency Ambulance Service call, District shall charge the patient the Emergency Ambulance Response Base Rate, plus mileage costs at the Mileage Rate. If oxygen is administered to a patient, District shall charge the patient the Oxygen Administration Charge, whether transported or not. If a patient is treated and refuses transport, District shall charge the Treat and Refused Transport rate.

1. Emergency Ambulance Response Base Rate $2,100.00
2. Mileage Rate (for each mile traveled with a loaded patient) $50.00
3. Oxygen Administration Charge $175.00
4. Treat and Refused Transport $450.00

Contra Costa County Fire Protection District
Emergency Ambulance Service
January 2016 - December 2016 Rate Analysis

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Expenditures:													
Ambulance Service Subcontractor	$0	$0	$3,080,802	$2,882,041	$3,080,802	$2,981,422	$3,080,802	$2,981,422	$3,080,802	$3,080,802	$2,981,422	$3,080,802	$30,311,120
Invoicing and Collections	$0	$0	$0	$55,744	$105,810	$95,570	$105,810	$102,397	$105,810	$102,397	$105,810	$105,810	$885,159
Administrative Staffing Costs (est.)	$0	$0	$0	$0	$0	$0	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000	$1,500,000
	$0	$0	$3,080,802	$2,937,785	$3,186,612	$3,076,992	$3,436,612	$3,333,819	$3,436,612	$3,433,199	$3,337,232	$3,436,612	$32,696,279
Revenue:													
Service Fees Collected	$0	$0	$1,889,623	$3,586,785	$3,239,675	$3,586,785	$3,471,082	$3,586,785	$3,471,082	$3,586,785	$3,586,785	$3,471,082	$33,476,470
Monthly Surplus / Deficit	**$0**	**$0**	**($1,191,179)**	**$649,000**	**$53,063**	**$509,793**	**$34,469**	**$252,967**	**$34,469**	**$153,586**	**$249,553**	**$34,469**	**$780,192**
Cumulative Fund Surplus / Deficit	**$0**	**$0**	**($1,191,179)**	**($542,178)**	**($489,116)**	**$20,677**	**$55,147**	**$308,113**	**$342,583**	**$496,169**	**$745,722**	**$780,192**	

Assumptions:

1. 5,173 Unit Hours/Week
2. $134.48/Unit Hour (Ambulance Service Subcontractor)
3. 68,532 Annual Transports (2015 Data)
4. $2,505 Average Patient Charge
5. 24.6% Net Collections Rate
6. 2.95% Invoicing and Collections

Contra Costa County
Standard Form L-1
Revised 2014

STANDARD CONTRACT
(Purchase of Services – Long Form)

Number:
Fund/Org:
Account:
Other:

1. **Contract Identification**.

   Department: Health Services – Emergency Medical Services

   Subject: Emergency Ambulance Services (Emergency Response Areas 1, 2, and 5)

2. **Parties.** The County of Contra Costa, California (County), for its Department named above, and the following named Contractor mutually agree and promise as follows:

   Contractor: Contra Costa County Fire Protection District

   Capacity: A fire protection district existing under the laws of the State of California

   Address: 2010 Geary Road, Pleasant Hill, CA 94523

3. **Term.** The effective date of this Contract is January 1, 2016. It terminates on December 31, 2020 unless sooner terminated as provided herein.

4. **Payment Limit.** County's total payments to Contractor under this Contract shall not exceed

   $ Not Applicable.

5. **County's Obligations.** County shall make to the Contractor those payments described in the Payment Provisions attached hereto which are incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.

6. **Contractor's Obligations.** Contractor shall provide those services and carry out that work described in the Service Plan attached hereto which is incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.

7. **General and Special Conditions.** This Contract is subject to the General Conditions and Special Conditions (if any) attached hereto, which are incorporated herein by reference.

8. **Project.** This Contract implements in whole or in part the following described Project, the application and approval documents of which are incorporated herein by reference.

   Not applicable.

9. **Legal Authority.** This Contract is entered into under and subject to the following legal authorities:

Califonria Health and Safety Code section 1797, et seq., California Government Code sections 26227 and 31000, and all legal authorities cited in the HIPAA Business Associate Addendum attached to this Contract and incorporated herein by this reference.

10. **Signatures**. These signatures attest the parties' agreement hereto:

COUNTY OF CONTRA COSTA, CALIFORNIA

BOARD OF SUPERVISORS	ATTEST: Clerk of the Board of Supervisors
By: _____ Chair/Designee	By: _____ Deputy

CONTRACTOR

Signature A	Signature B
Name of business entity: Contra Costa County Fire Protection District By: _____ (Signature of individual or officer) _____ (Print name and title A, if applicable)	Name of business entity: By: _____ (Signature of individual or officer) _____ (Print name and title B, if applicable.

Note to Contractor: For corporations (profit or nonprofit) and limited liability companies, the contract must be signed by two officers. Signature A must be that of the chairman of the board, president, or vice-president; and Signature B must be that of the secretary, any assistant secretary, chief financial officer or any assistant treasurer (Civil Code Section 1190 and Corporations Code Section 313). All signatures must be acknowledged as set forth on Form L-2.

Contra Costa County
Standard Form P-1
Revised 2008

PAYMENT PROVISIONS
(Fee Basis Contracts - Long and Short Form)

Number

1. **Payment Amounts.** Subject to the Payment Limit of this Contract and subject to the following Payment Provisions, County will pay Contractor the following fee as full compensation for all services, work, expenses or costs provided or incurred by Contractor:

   [Check one alternative only.]

   ☐ a. $ monthly, or

   ☐ b. $ per unit, as defined in the Service Plan, or

   ☐ c. $ after completion of all obligations and conditions herein.

   ☒ d. Other: Not applicable. County will not make payments to Contractor.

2. **Payment Demands.** Contractor shall submit written demands for payment on County Demand Form D-15 in the manner and form prescribed by County. Contractor shall submit said demands for payment no later than 30 days from the end of the month in which the contract services upon which such demand is based were actually rendered. Upon approval of payment demands by the head of the County Department for which this Contract is made, or his designee, County will make payments as specified in Paragraph 1. (Payment Amounts) above.

3. **Penalty for Late Submission.** If County is unable to obtain reimbursement from the State of California as a result of Contractor's failure to submit to County a timely demand for payment as specified in Paragraph 2. (Payment Demands) above, County shall not pay Contractor for such services to the extent County's recovery of funding is prejudiced by the delay even though such services were fully provided.

4. **Right to Withhold**. County has the right to withhold payment to Contractor when, in the opinion of County expressed in writing to Contractor, (a) Contractor's performance, in whole or in part, either has not been carried out or is insufficiently documented, (b) Contractor has neglected, failed or refused to furnish information or to cooperate with any inspection, review or audit of its program, work or records, or (c) Contractor has failed to sufficiently itemize or document its demand(s) for payment.

5. **Audit Exceptions.** Contractor agrees to accept responsibility for receiving, replying to, and/or complying with any audit exceptions by appropriate county, state or federal audit agencies resulting from its performance of this Contract. Within 30 days of demand, Contractor shall pay County the full amount of County's obligation, if any, to the state and/or federal government resulting from any audit exceptions, to the extent such are attributable to Contractor's failure to perform properly any of its obligations under this Contract.

Initials: _____ _____
Contractor County Dept.

SERVICE PLAN Contract Number ____
(Purchase of Services - Long Form)

TABLE OF CONTENTS

Initials: _____ _____
Contractor County

SERVICE PLAN Contract Number ____
(Purchase of Services - Long Form)

A. Purpose. The purpose of this Contract is to set forth the respective obligations of the parties regarding the delivery of emergency ambulance services in certain areas of the County. The parties understand and agree that the purpose of this Contract is for the provision of emergency ambulance services to the County, and, as further described in Section C below, Contractor is subcontracting with an emergency ambulance service provider to provide those services.

B. Definitions.

1. **"Advanced EMT" or "AEMT"** means a California certified emergency medical technician with additional training in limited advanced life support pursuant to Health and Safety Code section 1797 et seq.
2. **"Advanced Life Support" or "ALS"** means special services designed to provide definitive prehospital emergency medical care including, but not limited to, cardiopulmonary resuscitation, cardiac monitoring, cardiac defibrillation, advanced airway management, intravenous therapy, administration of specified drugs, and other medicinal preparations, and other specified techniques and procedures administered by authorized personnel under the direct supervision of the Base Hospital or utilizing approved prehospital treatment protocols or standing orders as part of the EMS System at the scene of an emergency, during transport to an acute care hospital or other approved facility, during inter-facility transfers, and while in the emergency department of an acute care hospital until responsibility is assumed by the emergency department or other medical staff of that hospital.
3. **"ALS Ambulance"** means an ambulance equipped, or arranged and staffed for the purpose of providing ALS care within the EOAs while under contract with the County.
4. **"Ambulance"** means any motor vehicle that meets the standards set forth in Title 13 of the California Code of Regulations, and which is specifically constructed, modified or equipped, or arranged, used, licensed, or operated for the purpose of transporting sick, injured, convalescent, infirmed, or otherwise incapacitated persons in need of medical care.
5. **"Ambulance Strike Team" or "AST"** means a team of five staffed ambulances, a designated AST leader (herein, an **"ASTL"**), and an ASTL vehicle.
6. **"Ambulance Subcontractor"** means the emergency ambulance services provider that Contractor has entered into a subcontract with to provide emergency ambulance services required by this Contract, as approved by the County.
7. **"Annual System Improvement and Enhancement Goals"** means those goals, mutually agreed upon by the parties, that contain the EMS System improvements and enhancements that are to be implemented by Contractor for the specified year.
8. **"Arrival on Scene Time"** has the meaning set forth in Section H(6)(c) below.
9. **"Base Hospital"** means John Muir Medical Center, Walnut Creek campus, or other facility designated by CCCEMSA pursuant to Health and Safety Code section 1798.100.
10. **"Basic Life Support"** or **"BLS"** means emergency first aid and cardiopulmonary resuscitation medical care procedures which, as a minimum, include recognizing respiratory and cardiac arrest and starting proper application of cardiopulmonary resuscitation to maintain life without invasive techniques, unless authorized by state law or regulation, until the victim may be transported or until ALS medical care is available.
11. **"BLS Ambulance"** means an Ambulance equipped, or arranged, and staffed for the purpose of providing BLS care within the County.

Initials: _____ _____
Contractor County

12. **"CCCEMSA"** means the County agency having primary responsibility for the administration of EMS within the county.
13. **"CCCEMSA Medical Director"** means the physician designated by the County to serve as the medical director of CCCEMSA pursuant to Health and Safety Code section 1797.202.
14. **"CCCEMSIS"** means the Contra Costa County Emergency Medical Services Information System as set forth in Section M(1).
15. **"Collaboration Committee"** means the committee described in Section P(13).
16. **"Continuous Quality Improvement"** or **"CQI"** means the process of evaluating prehospital EMS and non-emergency transportation services to identify where personnel performance or the system itself can be improved, implementing potential improvements, and reevaluating and refining them in a continuous cycle. While quality assurance traditionally focuses on the detection of defects, CQI strives to prevent them.
17. **"County EMS System" or "EMS System"** means the specifically organized system of local EMS communications centers (law enforcement, fire, and ambulance), emergency ambulance providers, non-emergency ambulance providers, local fire agencies, air ambulance/rescue providers, local hospitals, local and state law enforcement agencies, EMS training programs, and EMS continuing education providers that provide the coordinated delivery of EMS services within the County.
18. **"County"** means Contra Costa County.
19. **"County Contract Administrator"** means the CCCEMSA Director or his/her designee.
20. **"County EMS Plan"** means a plan for the delivery of emergency medical services pursuant to Health and Safety code section 1797 et seq.
21. **"Disaster Medical Support Unit" or "DMSU"** means a vehicle owned by EMSA and provided to CCCEMSA for disaster medical response.
22. **"Emergency Ambulance"** means an Ambulance permitted pursuant to Division 48 of the County Ordinance Code and operated by a CCCEMSA authorized emergency ambulance provider in an EOA as identified in the County EMS Plan.
23. **"Emergency Ambulance Services"** means Ambulance services provided at any CCCEMSA authorized level (ALS, critical care transport, or BLS) provided in response to 9-1-1 and/or seven (7) digit or ten (10) digit requests for EMS through an authorized PSAP, or prehospital emergency calls received directly by Contractor.
24. **"Emergency Ambulance Transport"** means any Ambulance transport originating from a 9-1-1, seven (7) digit or ten (10) digit request for service through an authorized PSAP, or originating from prehospital emergency calls received directly by Contractor, or an Ambulance transport of a patient suffering a medical emergency from the prehospital environment to a CCCEMSA authorized acute care facility or hospital emergency department.
25. **"Emergency Medical Dispatch Center"** means an emergency medical dispatch center that has been approved by CCCEMSA for dispatching Ambulances under this Contract.
26. **"Emergency Medical Dispatch System"** means a system that enhances services provided by emergency medical dispatchers by allowing the call taker to quickly narrow down the caller's type of medical or trauma situation using nationally standardized medical triage, so as to better dispatch emergency services and provide quality instruction to the caller before help arrives.
27. **"Emergency Medical Services"** or **"EMS"** means the services delivered through the EMS System in response to a medical emergency.

28. **"Emergency Response Area"** or **"ERA"** means ambulance emergency response areas established by CCCEMSA and delineated on the map entitled "Emergency Response Areas of Contra Costa County", as amended, which is on file in the office of CCCEMSA and the Clerk of the County Board of Supervisors.
29. **"EMS Quality Improvement Plan"** or **"EQIP"** means the EMS System-wide quality improvement plan and activities stated in the plan submitted by CCCEMSA and approved by the EMSA pursuant to California Code of Regulations, Title 22.
30. **"EMSA"** means the California Emergency Medical Services Authority.
31. **"EMT"** means a person certified to render BLS medical care pursuant to Health and Safety Code section 1797 et seq.
32. **"EOA"** means an exclusive operating area or subarea defined by the County EMS Plan where operations are restricted to one (1) or more Emergency Ambulance Service provider or providers of ALS services pursuant to Health and Safety Code section 1797.224.
33. **"Emergency Response Zone"** or **"ERZ"** means those areas defined by the County EMS Plan that establishes an emergency response zone and which are set forth on Exhibit A (Emergency Response Zones Map) as ERZ A, ERZ B, ERZ C, and ERZ D.
34. **"ePCR"** has the meaning set forth in Section M(6) below.
35. **"ePCR System"** has the meaning set forth in Section M(1) below.
36. **"IHI"** means the Institute of Healthcare Improvement.
37. **"Interim PCR"** means a PCR that has not been completed, but includes patient care findings and a description of pre-hospital treatment that is sufficient to allow the receiving hospital staff to provide patient care continuity.
38. **"KPI"** has the meaning set forth in Section (E)(12) below.
39. **"Medical Health Operational Area Coordinator"** or **"MHOAC"** means the County health officer and the CCCEMSA Director acting jointly as the Medical Health Operational Area Coordinator under California Health and Safety Code section 1797.153 as responsible for ensuring the development of a medical and health disaster plan for the Operational Area.
40. **"MCI"** means a medical emergency incident involving multiple or mass casualties.
41. **"Performance Report"** means a report to be generated by Contractor for CCCEMSA on an annual or monthly basis that details Contractor's activities performed pursuant to this Contract and presents the performance metrics and compliance elements stipulated under this Contract in a format approved by CCCEMSA.
42. **"Paramedic"** means a person licensed and accredited to render ALS medical care pursuant to Health and Safety Code section 1797 et seq.
43. **"PCR"** means a patient care report, the form of which shall be approved by the County Contract Administrator for patient documentation on EMS System responses including all patient contacts, cancelled calls, and non-transports.
44. **"Permitted Ambulance Providers"** means those ambulance provider agencies issued a permit to operate in the County pursuant to Division 48 of the County Ordinance Code.
45. **"PSAP"** means the public safety answering point where 9-1-1 calls are first received for a particular jurisdiction.
46. **"Response Time"** means the interval, in exact minutes and seconds, between the Time Call Received and either the Arrival on Scene Time, or the time of cancellation by an Emergency Medical Dispatch Center.
47. **"Response Time Standards"** has the meaning set forth in Section H(4).
48. **"Service Area"** has the meaning set forth in Section D(1)(a) below.
49. **"Time Call Received"** has the meaning set forth in Section H(6)(b) below.

50. **"Transport Employees"** means employees of Contractor's Ambulance Subcontractor that provide ambulance transport services.

C. Contractor Subcontracting.

1. Subcontracting. County understands and agrees that Contractor does not have the infrastructure or personnel necessary to directly perform the ambulance services required by this Contract, and that Contractor is concurrently entering into a subcontract with American Medical Response West, a California corporation ("AMR") for the purpose of AMR acting as Contractor's Ambulance Subcontractor to perform emergency ambulance services pursuant to the terms of the subcontract and at Contractor's direction. Contractor's act of entering into a subcontract for the Ambulance Subcontractor's provision of ambulance services required by this Contract is not a breach of this Contract. Notwithstanding Contractor's subcontract with its Ambulance Subcontractor, Contractor is responsible for the performance of its obligations pursuant to the terms of this Contract and no subcontract shall relieve Contractor of its responsibilities and obligations hereunder. Contractor's subcontract with its Ambulance Subcontractor shall be subject to all of the terms and provisions contained in this Contract. Nothing contained in the Contract or otherwise shall create any contractual relationship between County and Ambulance Subcontractor. Contractor agrees to be fully responsible to County for the acts and omissions of its Ambulance Subcontractor.

2. County Communications. County shall direct all communications regarding Contractor's performance of its obligations under this Contract to an individual designated by Contractor in writing to CCCEMSA ("Contractor's Contact Person"), or a designee within Contractor's organization designated in writing by Contractor's Contact Person; provided, that Contractor's Contact Person may authorize CCCEMSA to contact Ambulance Subcontractor in certain specified situations. The parties shall discuss communications issues as necessary at monthly Collaboration Committee meetings described in Section P(13) below. This provision shall not abrogate or otherwise restrict CCCEMSA's direct communication with Ambulance Subcontractor concerning Ambulance Subcontractor's Transport Employees as required by regulation or law.

D. Scope of Services.

1. Service Activities. Contractor shall provide ambulance services in the County pursuant to all the terms and conditions contained or incorporated herein, and subject to Contractor's proposal dated May 21, 2015, and Contractor's Plan B Proposal dated July 6, 2015 (collectively, "Contractor's Proposal"), which are on file with CCCEMSA located at 1340 Arnold Drive, Suite 126, Martinez, CA and incorporated herein by reference. In the case of any conflict between the provisions of this Contract and the provisions of Contractor's Proposal, the provisions contained in this Contract's Service Plan, Special Conditions, General Conditions, and Exhibits shall prevail. The ambulance services delivered under this Contract shall be provided in accordance with the requirements of California Health and Safety Code sections 1797 et seq., Division 48 of the Contra Costa County Ordinance Code, and all regulations promulgated thereunder, as the same may be amended or superseded. In performing services hereunder, Contractor shall work cooperatively with the County Contract Administrator.

a. Scope of Services. Contractor, throughout the term of this Contract and under the general direction of CCCEMSA, shall employ all resources necessary to continuously provide ALS Emergency Ambulance Services as specified under this Contract to the residents and visitors of County twenty-four (24) hours a day, every day, when requested by an Emergency Medical Dispatch Center, in Emergency Response Areas 1, 2 and 5 ("Service Area"). The parties understand and agree that during the term of this Contract, Response Time requirements and deployment of ambulance resources may be adjusted through amendments to this Contract. Contractor will work with CCCEMSA to pilot and implement changes to Response Time requirements, ERZs, and call density designations as necessary for the protection of the public's health and safety as provided in this Contract.

b. Service Area Exclusivity; Air Ambulance Transport.
   i. Service Area Exclusivity. During the term of this Contract, CCCEMSA shall not enter into any agreement with any other provider for ground response to emergency or ALS inter-facility ambulance requests within the Service Area, and will not provide such services itself, without the prior written agreement of Contractor.
   ii. County's Use of Contractor's Services. County shall, except as otherwise provided herein, utilize Contractor exclusively for the provision of all ground ALS Emergency Ambulance Services, and shall refer all 9-1-1 emergency medical calls, including any direct call (seven (7) digit or ten (10) digit phone calls) emergency medical requests received at PSAPs, and prehospital Emergency Ambulance Transports to Contractor within the Service Area. Once County and Contractor have developed an ALS inter-facility transportation services program pursuant to Section D(1)(f) below, County will utilize Contractor exclusively for interfacility ALS transports originating within the County. The provisions of this section shall not preclude the County from utilizing medical mutual aid resources during disasters or MCIs as determined necessary and authorized by the MHOAC. Nor shall this provision preclude County from requiring Contractor to enter into agreements with other qualified ambulance providers for the purpose of backup or mutual aid ambulance service. Any such mutual aid or back up agreements shall be approved in writing by County.
   iii. Air Ambulance Transport. Notwithstanding the foregoing or any other provision of this Contract, County may enter into separate transport agreements with air ambulance providers and may provide for air transport of patients when such transportation is deemed to be medically in the best interest of a patient. However, no such agreement shall provide for air transport of non-critical patients or of critical patients when a ground ambulance is on-scene and transport time by ground ambulance to the most accessible emergency medical facility equipped, staffed, and prepared to administer care appropriate to the needs of the patient is the same or less than the estimated air transport time.
   iv. EOA Adjustments. As necessary for public safety, health and welfare to ensure an effective County EMS System, County reserves the right to make adjustments to the EOAs consistent with applicable laws. Any changes in the EOAs shall be subject to County providing written notice to Contractor. Contractor may submit a rate increase request to CCCEMSA for additional expenses created by County's adjustments to the EOAs. Upon verification of additional expenses by the County, approval of rate increase shall not be unreasonably conditioned, delayed or withheld.

c. Advanced Life Support (ALS) Mandate.

i. ALS Ambulance Response. Contractor shall place an ALS ambulance on scene for every request for Emergency Ambulance Services, without interruption, twenty-four (24) hours per day, for the full term of this Contract, unless otherwise authorized by CCCEMSA through an approved Emergency Medical Dispatch Center and resource response program that dictates the level and priority of ambulance response. The foregoing ALS mandate may be suspended by CCCEMSA either directly or by policy/protocol during an MCI or disaster response. Services provided by Contractor shall be provided without regard to the patient's race, color, national origin, religious affiliation, age, sex, sexual orientation, sexual identity, or ability to pay.

ii. Penalty. County may impose a penalty on Contractor in the amount set forth in Exhibit C (Penalties) for each instance in which Contractor fails to dispatch an Emergency Ambulance to a call originating within the Service Area and no Ambulance responds. CCCEMSA shall conduct an investigation of the incident prior to imposition of a penalty.

d. Ambulance Services Accreditation. Throughout the term of this Contract, Contractor shall, or shall require the Ambulance Subcontractor to, maintain accreditation through the Commission on Accreditation of Ambulance Services.

e. Ambulance Staffing.
   i. Subject to Section I (Personnel Standards) below, all Ambulances providing Emergency Ambulance Services under this Contract shall be staffed with a minimum of one (1) Paramedic and one (1) EMT and equipped to provide ALS care. The Ambulance Paramedic shall be the caregiver with ultimate responsibility for all patients.
   ii. Contractor may send BLS Ambulance units staffed with two (2) EMT's to requests for multi-unit response and to any calls in which an Emergency Medical Dispatch Center determines that a BLS Ambulance response is appropriate according to emergency medical dispatch protocols and policies approved by CCCEMSA.
   iii. County may impose a penalty on Contractor in the amount set forth in Exhibit C (Penalties) for each instance in which a BLS Ambulance responds and transports a patient that required ALS care according to policies approved by CCCEMSA.
   iv. At Contractor's sole option, the requirement for EMT staffing levels on any or all Ambulance units may be enhanced to higher levels of training without additional obligation of the County.

f. ALS Inter-Facility Transportation. Contractor and CCCEMSA shall negotiate in a good faith effort to develop and implement an ALS inter-facility transportation services program within 24 months of the effective date of this Contract.

2. No Prehospital Emergency Medical Services Agreement. This Contract pertains to the provision of emergency ambulance services only. Contractor remains responsible for the provision and administration of first responder prehospital emergency medical services within its fire district.

3. Integration and Collaboration with the EMS System. Contractor and CCCEMSA shall work collaboratively with PSAPs, public safety partners, other Permitted Ambulance Providers, hospitals and communities in an effort to provide an integrated and coordinated system of readiness, emergency medical response, transport and continuity of patient care. This includes requests from or approved through CCCEMSA for: mutual and automatic aid;

community education and injury prevention campaigns; work on critical infrastructure; participation in planning activities; support for committees, joint training programs, drills, educational events and conferences; research projects; preparing grant or funding applications; supplying clinical reports and performance data, and continuous QI initiatives.

a. County shall cause Contractor, as an essential EMS System services provider, to be designated as a ground ALS Emergency Ambulance Service provider under the County's EMS Plan.
b. Contractor agrees to provide community service, outreach and education as outlined within Section L (Customer Service and Community Education) below.
c. Contractor shall assist other EOA and Non-EOA ambulance service providers and provide mutual aid inside and outside Service Area as requested by CCCEMSA.
d. Contractor's automatic aid and mutual aid policies, protocols and operational procedures for deploying and receiving Ambulance resources from within or outside the Service Area are subject to approval by CCCEMSA.

4. Local Infrastructure.
   a. Infrastructure. Contractor shall, or shall require its Ambulance Subcontractor to, provide all necessary operational, clinical, and support service infrastructure within the County to perform the services required under this Contract.
   b. Dispatch Center. Contractor shall maintain a communications center located within the County for the system status management and dispatch of ALS Emergency Ambulance Services. Contractor's communications center shall utilize a radio and data communications plan approved by CCCEMSA, which digitally integrates Contractor communications and computer aided dispatch (CAD) systems with EMS response partners identified by CCCEMSA in the EMS Plan. The radio and data communications plan shall contain provisions for redundancy to maintain Contractor operations in the event of primary communications systems failure due to any cause.

5. Special Emergency Medical Services. Contractor may provide special EMS programs as approved by CCCEMSA. Examples of special EMS programs include, but are not limited to: event medical services; bicycle EMS services; tactical EMS services; and community paramedic services. Where applicable, such special EMS program services shall conform to established CCCEMSA policies and EMSA guidelines. Contractor's provisions of special EMS programs shall not conflict with or interfere with Contractor's other obligations under this Contract.

6. Compliance with CCCEMSA Protocols, Policies, Procedures and Applicable Laws. Contractor shall, and shall require its Ambulance Subcontractor to, comply with CCCEMSA protocols, policies, procedures, performance standards, and with applicable laws in the provision of all services required by this Contract.

7. Capitalization. Contractor shall, and shall require its Ambulance Subcontractor to, invest in its infrastructure, technology, and equipment to enable Contractor to perform its obligations under this Contract, including operational effectiveness, clinical care, and support services.

8. Disaster Assistance and Response. Contractor shall be actively involved in planning for and responding to MCIs and disasters in the County. Contractor will implement its medical surge plan and deploy ASTs and disaster response efforts as requested by CCCEMSA or

the Medical Health Operational Area Coordinator. Once an emergency operations plan is activated by the MHOAC in response to a disaster, all Contractor resources and mission tasking shall be coordinated through the MHOAC in support of the emergency operations plan.

a. Contractor shall designate an individual who will have primary responsibility for disaster preparedness and planning coordination. This individual shall be the primary point of contact between Contractor and CCCEMSA during the performance of an emergency operations plan and for all disaster preparedness and planning coordination. Contractor's disaster coordinator shall attend training courses, meetings, and drills as requested by CCCEMSA, and support the MHOAC to provide adequate ambulance resources are available during MCIs and disasters.

9. Adopting Plan B Option. If either Contractor or CCCEMSA believe that circumstances surrounding the EMS System are preventing the efficient and financially viable delivery of Emergency Ambulance Services under the current terms of this Contract, either party may propose amendments to this Contract to adopt one or more of the options presented in Plan B of Contractor's Proposal. The proposed changes to the Contract and the potential impacts will be discussed by both parties prior to presentation to either party's board.

E. Clinical Performance Standards.

1. Continuous Quality Improvement (CQI) Program.
   a. Contractor shall cooperate with CCCEMSA to implement improvements and enhancements of the EMS System in an effort to provide residents of, and visitors to, the County the highest quality emergency medical transportation services and associated emergency medical care. Contractor shall, and shall require its Ambulance Subcontractor to, participate, as reasonably requested by CCCEMSA, in achieving the goals set forth in the County EMS Plan and the EQIP. As determined by CCCEMSA, this shall include implementing and conducting all services described under this Contract in a manner that seeks clinical performance excellence combined with innovative strategies and technology that optimize delivery of high quality out-of-hospital medical care, community service and service accountability. Contractor will provide CCCEMSA with a clinical education program that achieves contemporary benchmarks of clinical excellence in a progressive and sustainable fashion. Contractor's CQI programs and activities must be reviewed by the CCCEMSA Medical Director and approved by CCCEMSA. All programs and activities shall be conducted in accordance with CCCEMSA prehospital care policies. Contractor shall not permit its Ambulance Subcontractor to modify its approved CQI program without prior approval by CCCEMSA Medical Director and the County Contract Administrator. The CQI program must encompass the sum of all activities undertaken by all Transport Employees to maintain the standard of care established for those services.
      i. Contractor and CCCEMSA shall cooperate to develop Annual System Improvement and Enhancement Goals and reports consistent with the priorities established in the County EMS System Plan and EQIP. Contractor's achievement of its annual goals, as evidenced by results demonstrated in the annual performance report, will be considered as part of County's optional extension of this Contract under Section Q(17) below.

b. Contractor shall require its Ambulance Subcontractor to work with CCCEMSA to develop and implement a CQI program plan that is designed to deliver optimal patient care and effective operations for all services provided under this Contract.

2. Quality Improvement Processes.
   a. Contractor shall require the Ambulance Subcontractor's CQI program to provide an organized, coordinated, multidisciplinary approach to the assessment of pre-hospital emergency medical response and patient care. QI processes shall be utilized to improve outcome oriented patient care and facilitate related continuing education. Contractor's CQI program will be implemented and refined with input, approval, and oversight of CCCEMSA and the CCCEMSA Medical Director.
   b. Contractor's medical director and CQI staff shall interact and collaborate with the CCCEMSA Medical Director and CCCEMSA staff.

3. Medical Control.
   a. CCCEMSA shall oversee medical services provided by Contractor under this Contract. Prospective and on-line medical control of EMT and Paramedic personnel shall be according to the policies and procedures established by the CCCEMSA Medical Director. Retrospective medical control shall be provided according to the standards set forth by the CCCEMSA Medical Director through CQI programs, including continuing education programs conducted cooperatively by Contractor, CCCEMSA, partner pre-hospital provider agencies, and the Base Hospital.
   b. CCCEMSA may investigate aspects of Contractor's operation relevant to its delivery of patient care services to ensure they are performed in a safe and reliable manner. Accordingly, Contractor shall, and shall require its Ambulance Subcontractor to, provide, in a timely manner, all records, information, and reports reasonably requested by the CCCEMSA Medical Director, or designee, to evaluate the emergency medical services provided by Contractor under this Contract.

4. Medical Reviews and Audits.
   a. Contractor acknowledges that medical reviews and audits are a critical function of an effective medical quality assurance and improvement program.
      i. Contractor shall require its Ambulance Subcontractor to work cooperatively with CCCEMSA, the CCCEMSA Medical Director, the Base Hospital, and other EMS System partners to identify and support activities that provide case-based learning and feedback to Transport Employees.
      ii. Contractor shall, and shall require its Ambulance Subcontractor to, cooperate with requests by the CCCEMSA Medical Director, or designee, for employee attendance at medical reviews or audits.

5. Incident Review and Investigations.
   a. Contractor shall, and shall require its Ambulance Subcontractor to, provide reasonable cooperation and information requested by CCCEMSA relative to incidents and inquiries and will make involved personnel available for interview by CCCEMSA staff in a timely manner.
      i. Contractor's supervisory and management personnel will assist CCCEMSA with incident investigations and disciplinary activities as requested by CCCEMSA.

ii. Contractor shall, and shall require its Ambulance Subcontractor to, make its employees available for investigational interviews as necessary.
iii. To the greatest extent possible, incident investigations are to be scheduled in advance for the convenience of Transport Employees. Contractor shall require its Ambulance Subcontractor to arrange schedule changes, if necessary, to make incident review or investigation more convenient. CCCEMSA shall work with Contractor and its Ambulance Subcontractor in an effort to avoid unnecessarily altering procedures and processes that are already in place in Contractor's organization.

b. Contractor will respond to CCCEMSA requests for information within the time frames included in the information request. This shall include PCRs, supplemental patient information, CAD records, incident narratives and reports, inventory ordering, receipt and control documentation, fleet maintenance records, critical failure reports, safety reports, and any other information or records required by CCCEMSA to fully complete thorough reviews and investigations related to any services provided under this Contract.
c. Contractor shall require its Ambulance Subcontractor to foster a culture that is designed to rectify clinical mistakes and emphasize lessons learned for the benefit of the patient and caregivers (e.g., Just Culture). In this model, caregivers are taught to recognize that mistakes are made and feel able to report these mistakes and have them remedied in a non-punitive setting.
d. Contractor shall notify CCCEMSA of the occurrence of any and all incidents, as defined in the criteria, policies, and procedures established by CCCEMSA.

6. Field Treatment Guide Production.
   a. CCCEMSA has made an electronic version of its field treatment guide available to the public at no cost through an iOS and Android application. CCCEMSA will update and maintain all policies, treatment guidelines, procedures, and other field care related information in the application as necessary. CCCEMSA will also make available a current electronic copy of the field treatment guide upon request at no cost.
   b. Contractor shall be financially responsible for the production of CCCEMSA Field Treatment Guide manuals at its cost should Contractor choose to print manuals for Transport Employees.

7. Clinical Education and Training. Contractor shall require its Ambulance Subcontractor to develop and implement a clinical education and training program that is consistent with the CCCEMSA EQIP, and which shall be approved by CCCEMSA. Contractor's clinical education and training program will include new employee orientation, continuing education at no cost to participants, and a Field Training Officer program as described in Section F(3) below for pre/post accreditation paramedics. Contractor shall, and shall require its Ambulance Subcontractor to, become a continuing education provider as described in California Code of Regulations, Title 22, Division 9, Chapter 11, and maintain its status as a continuing education provider during the term of this Contract.

8. Clinical Quality Improvement Program Staff Commitment. Contractor shall provide CQI staff to coordinate and provide Contractor's CQI activities. Required CQI staff and responsibilities include:

a. Chief Medical Advisor. Contractor shall retain a California licensed physician as its chief medical advisor who shall be vested with sufficient authority to establish and enforce internal standards of excellence for the medical care provided by Contractor. Contractor's chief medical advisor shall serve as the primary liaison between Contractor and the CCCEMSA Medical Director for medical issues.
   i. Contractor's chief medical advisor shall perform services for Contractor as reasonably necessary to fulfill the duties required under this Contract and shall be identified in Contractor's organizational structure.
   ii. Contractor's chief medical advisor shall be provided with sufficient support, including staff, to effectively oversee the medical components of the approved CQI and clinical education and training programs.
   iii. Contractor's chief medical advisor shall cooperate and collaborate with the CCCEMSA Medical Director to develop and implement policies, protocols and procedures that strive to achieve optimal patient outcomes.

b. Associate Medical Advisor. Contractor shall require its Ambulance Subcontractor to retain a California licensed physician as an associate medical advisor to support its chief medical advisor in his/her responsibilities.

c. CES Director. Contractor shall require its Ambulance Subcontractor to employ and maintain a Regional Clinical and Educational Services (CES) Director who will provide oversight and management of KPIs and ongoing organization-wide quality management programs.

d. CES Manager. Contractor shall require its Ambulance Subcontractor to employ and maintain a minimum of one (1) full-time CES Manager, with specialized training and experience in quality improvement to implement and oversee Contractor's ongoing quality management program. The CES Manager shall be responsible for coordination of all clinical review activities, developing and supporting a comprehensive orientation academy for new employees, and managing Contractors internal and system-integrated CQI activities.
   i. The CES Manager shall be currently licensed in California as a Paramedic or registered nurse and be based in Contra Costa County.

e. CES Coordinator. Contractor shall require its Ambulance Subcontractor to employ and maintain a minimum of one (1) full-time CES Coordinator who will be responsible for the medical quality assurance evaluation of all services provided pursuant to this Contract.
   i. The CES Coordinator shall be currently licensed in California as a Paramedic or registered nurse and based in Contra Costa County.
   ii. It is preferable but not mandatory that at least one (1) CES Manager or one (1) CES Coordinator position be filled by a licensed California registered nurse.

f. EMS Epidemiologist / Clinical Data Analyst. Contractor shall employ and maintain a minimum of one (1) full-time Clinical EMS Epidemiologist / Clinical Data Analyst, who shall be made available to work directly with CCCEMSA and the EMS Medical Director to gather, analyze, and report EMS System wide clinical performance data as specified by the County. The Clinical EMS Epidemiologist / Clinical Data Analyst shall evaluate PCRs.
   i. The EMS Epidemiologist/ Clinical Data Analyst shall attain the Structured Query Language (SQL) Developer competency level.
   ii. The Clinical EMS Epidemiologist / Clinical Data Analyst shall be based in Contra Costa County.

g. Contractor shall make available a minimum of eighty (80) compensated hours per month for designated field employees to participate in CQI activities.

9. IHI Certificate of Patient Safety, Quality and Leadership. Contractor shall require its Ambulance Subcontractor's quality and clinical personnel to complete an IHI Open School online certificate program in Patient Safety, Quality, and Leadership within eighteen (18) months of the effective date of this Contract or of employee hire.

10. Integrated Quality Leadership Council (QLC). Contractor shall require its Ambulance Subcontractor to work with CCCEMSA to implement and coordinate an integrated quality leadership council to identify, evaluate, and recommend solutions to common issues related to an integrated EMS response. The QLC shall include Contractor and representatives from fire agencies providing paramedic service within Contractor's Service Area.

11. Coordination of Data Gathering and Quality Improvement Efforts.
    a. Contractor shall require its Ambulance Subcontractor to support implementation of a technological tool that will fully integrate electronic records and alignment of data sets EMS system wide, in cooperation with CCCEMSA and fire services. A fully implemented tool will be capable of the following within the Service Area:
        i. Allow for quantitative reporting of overall clinical performance, which can be tied to providing integrated EMS System patient care solutions, training and community prevention, meaningful data comparison and greater collaborative research opportunities.
        ii. Provide real-time data to fire agencies for use in fire CQI activities.
        iii. Contractor shall reasonably cooperate with CCCEMSA on all data initiatives used to support clinical care and QI.

12. Clinical and Operational Benchmarking and Research.
    a. Key Performance Indicators and Benchmarks. Contractor shall require its Ambulance Subcontractor to use key performance indicators (as detailed below, "KPIs") as tools for measuring Contractor's performance under this Contract. In addition Contractor shall identify benchmarks and other QI tools to evaluate and set goals for improving the clinical and non-clinical performance of Contractor's personnel. Contractor shall provide County with periodic reports detailing its KPI and benchmarks progress according to a schedule approved by the County Contract Administrator.
    b. Non-Clinical KPIs. Contractor shall require its Ambulance Subcontractor's non-clinical KPIs to include at least the following:
        i. Customer satisfaction KPIs
        ii. Human Resources/Employee satisfaction KPIs:
            A. Shift holdovers per week
            B. Employee turnover rate
            C. Turnover factors/employee satisfaction
        iii. Community health partnership KPIs:
            A. 9-1-1 calls for patient conditions targeted in community health awareness programs, which include:
                x. Elderly falls
                y. STEMI transports
                z. Early onset stroke transports

B. Number of community health improvement activities
   x. Home inspections
   y. Fall prevention for seniors
   z. Track annual fire injuries/fatalities

iv. Fleet KPIs:
   A. Critical vehicle failures per 100,000 miles
   B. Preventative maintenance cycles

v. Safety KPIs:
   A. Employee injuries per 10,000 payroll hours
   B. Vehicle collisions per 100,000 miles travelled
   C. Types of injury events
   D. Types of auto events

vi. Unusual occurrences and complaints KPIs

vii. Financial stability KPIs:
   A. Unit hour utilization ratio
   B. Net revenue per transport

viii. Response time performance by zone, priority, and county-wide

ix. Complaint management

x. Use of mutual aid

xi. Safety

c. Clinical KPIs. Contractor shall require its Ambulance Subcontractor's clinical KPIs to include at least the following:
   A. Presumptive impressions at dispatch compared to field intervention
   B. Scene time and total prehospital time for time dependent clinical conditions like Acute Coronary Syndrome (ACS), stroke, and major trauma
   C. Cardiac arrest survival in accordance with Utstein protocols
   D. Fractal measurement of time to first defibrillation
   E. Compliance with protocols, procedures, timelines, and destinations for ST-Elevation Myocardial Infarction (STEMI) patients
   F. Compliance with protocols, procedures, and timelines for patients with pulmonary edema and congestive heart failure (CHF)
   G. Compliance with protocols, procedures, and timelines for patients with asthma or seizures
   H. Compliance with protocols, procedures, and timelines for patients with cardiac arrest
   I. Compliance with protocols, procedures, and timelines and destinations for systems of care patients (e.g. trauma, STEMI, stroke, and cardiac arrest)
   J. Compliance with protocols, procedures, and timelines for assessment of pain relief
   K. Analysis of high risk, low frequency clinical performance issues and strategies to support competent care
   L. Successful airway management rate by entire system, provider type, and individual, including EtCO2 detection
   M. Successful IV application rate by entire system, provider type, and individual
   N. Paramedic skill retention

d. Provide data developed through Contractor's CQI process to CCCEMSA for use in evaluating EMS System performance and in setting system improvement goals.

e. Incorporate any CCCEMSA approved benchmarking tools identified during the term of this Contract into Contractor's CQI process.

13. Medical Committee Participation. Contractor shall participate in all medical committees, work groups and task forces as requested by CCCEMSA.

14. Medical Research.
    a. Contractor shall, and shall require its Ambulance Subcontractor to, collaborate with CCCEMSA and the CCCEMSA Medical Director to develop pilot programs and research projects. Any costs to be incurred by the parties in connection with pilot programs or research projects will be agreed upon at the Collaboration Committee meetings. Any proposed pilot program and research project must be approved in writing by the CCCEMSA Medical Director before being undertaken.
    b. If the requirements of a pilot program or research project conflict with Contractor's performance obligations under this Contract, the County Contract Administrator may temporarily suspend Contractor's conflicting performance obligations for the purpose of the pilot program or research project.
    c. Except as set forth in subsection (b) above, Contractor agrees that Contractor's services provided under pilot programs and research projects are in addition to the other services it performs under this Contract.

15. Patient Satisfaction Program. Contractor shall develop and implement, upon approval by CCCEMSA, a comprehensive patient satisfaction program ("PSP") that focuses on services provided to patients in the County EMS System. The PSP shall contain quantitative and qualitative assessment mechanisms that will enable CCCEMSA to validate and benchmark patient feedback on the quality of services they were provided by Contractor.

16. CQI Program Administration. If there are complaints or concerns regarding the performance of any key CQI personnel during the term of this Contract, Contractor shall, and shall require its Ambulance Subcontractor to, cooperate in good faith with CCCEMSA in addressing and resolving such concerns. Any issues arising in the performance or administration of the CQI program will be addressed by Contractor, Ambulance Subcontractor and CCCEMSA through the dispute resolution process set forth in Section P(13).

17. Cardiac Arrest Performance Reporting System. Contractor shall work collaboratively with CCCEMSA to strive to increase pre-hospital provider cardiopulmonary resuscitation (CPR) performance by supporting the existing CPR performance reporting system (e.g., CodeStat). No later than January 1, 2017, Contractor shall require its Ambulance Subcontractor to timely and consistently annotate all applicable cardiac arrest reports received through the CPR performance reporting system.

18. Against Medical Advice Protocol.
    a. Protocol Development. Contractor, Ambulance Subcontractor and County will cooperate to develop an Against Medical Advice (AMA) protocol, which shall be implemented and followed by Transport Employees beginning no later than January 1, 2017.
    b. Penalties. County may impose a penalty on Contractor in the amount set forth in Exhibit C (Penalties) for a Transport Employee's failure to document an AMA according to the requirements established in the AMA protocol.

SERVICE PLAN Contract Number ____
(Purchase of Services - Long Form)

F. Standards of Care.

1. Patient Care Goal. Contractor and CCCEMSA shall cooperate and collaborate to develop, implement, and continuously improve clinical standards of care that optimize patient outcomes. Contractor further agrees to continuously maintain optimal effort to improve core indicators of quality service as established by CCCEMSA with the goal to consistently provide excellent patient care and patient satisfaction.

2. Continuous Quality Improvement (CQI) Program Plan. Contractor shall, and shall require its Ambulance Subcontractor to, work with CCCEMSA to develop and implement, upon approval by CCCEMSA, a CQI program plan that seeks optimal patient care and effective operations for all services provided under this Contract. The CQI program plan shall:
   a. Be in compliance with California Code of Regulations, Title 22, Division 9, Chapter 12, associated state guidelines, National Association of EMS Officials guidelines, and the CCCEMSA EMS Quality Improvement Plan.
   b. Utilize practices that promote integration and collaboration for clinical excellence with all EMS System participants, including:
      i. Data collection and analysis
      ii. Real-time and retrospective patient care record audits conducted by Field Training Officers
      iii. Observation and evaluation of clinical care performed by supervisors and management staff
   c. Establish and maintain a sufficient organizational structure within Contractor's operation that supports effective clinical oversight and execution of the plan.
   d. Contain provisions to continuously monitor, evaluate, and report core performance, process, and patient outcome indicators as established by CCCEMSA.
   e. Establish and maintain clinical metric score cards for Contractor's EMTs and paramedics that shall include, but are not limited to the following:
      i. Safe and effective maintenance of airway and ventilation
         A. Shall include each employee's basic and advanced airway success rates and number of attempts of each
      ii. Reduction of pain and discomfort
         A. Shall include each employee's mean patient pain and discomfort rating before and after intervention. For paramedics, a usage percentage of controlled substances for pain management
      iii. Relief of respiratory distress
         A. Shall include each employee's mean respiratory distress rating before and after intervention
      iv. Cardiac arrest resuscitation - shall include the total number of cardiac arrest patients for each employee, and include the following:
         A. Percentage of return of spontaneous circulation
         B. Number of patients transported to a hospital with return of spontaneous circulation
         C. Chest compression rate accuracy
         D. Mean time between rounds of chest compressions
         E. Percentage of cardiac arrests defibrillated
         F. Percentage of cardiac arrest patients who were treated with epinephrine
         G. Percentage of cardiac arrest patients treated with amiodarone
         H. Percentage of cardiac arrest patients treated with sodium bicarbonate

Initials: _____ _____
Contractor County

I. Percentage of patients who received EtCO2 monitoring
J. Percentage of vascular access devices (e.g. IV and IO) and placement location
K. The number of field pronouncements.

v. Recognition and care of ischemic syndromes - shall include the total number of suspected STEMI patients identified for each Transport Employee, and include the following:
   A. Percentage of 12-Lead ECG's obtained calculated against total number of STEMI patients
   B. Mean 12-Lead ECG transmit time calculated from time arrived at patient's side to time of 12-Lead ECG transmission
   C. Percentage of suspected STEMI patients treated with aspirin
   D. Percentage of suspected STEMI patients treated with nitroglycerin
   E. Percentage of suspected STEMI patients treated with controlled substances for pain management
   F. Percentage of suspected STEMI patients treated with oxygen
   G. Percentage of suspected STEMI patients who received an IV
   H. Mean scene time for suspected STEMI patients calculated from time arrived at patient's side to time of transport

vi. Shall include the total number of suspected stroke patients identified by each Transport Employee, and include the following:
   A. Percentage of suspected stroke patients who had a documented GCS
   B. Percentage of suspected stroke patients who had a documented blood glucose value
   C. Percentage of suspected stroke patients who had a documented Cincinnati Stroke Scale / LAMS evaluation
   D. Percentage of suspected stroke patients treated with oxygen
   E. Percentage of suspected stroke patients who received an IV
   F. Mean scene time for suspected stroke patients calculated from time arrived at patient's side to time of transport

vii. Effective and timely trauma care - shall include the total number of suspected trauma patients identified by each employee, and include the following:
   A. Percentage of blunt trauma patients
   B. Percentage of penetrating trauma patients
   C. Percentage of trauma activations
   D. Percentage of trauma patients transported to a trauma center
   E. Percentage of trauma patients transported to a non-trauma hospital
   F. Percentage of adult trauma patients
   G. Percentage of pediatric trauma patients
   H. Percentage of trauma patients who received an IV/IO
   I. Total number of field pronouncements of traumatic arrest
   J. Mean scene time for trauma patients calculated from time arrived at patient's side to time of transport

viii. Ensuring safe patient care and transportation - shall include the total number of patients attended to by each employee calculated by the number of patient care records where each employee was listed as the primary patient care provider, and include the total number of patient injuries that occurred as a result of unsafe care, equipment failure, or vehicle collisions.

f. In addition to the provision of medical care, include the following areas:

i. Customer-Patient Satisfaction
ii. Accountability for patient belongings
iii. Injury/Illness Prevention
iv. Community Education
v. Human Resources
vi. Safety
vii. Fleet, Equipment Performance and Materials Management
viii. Unusual Occurrences, Incidents, and Complaint Management
ix. Leadership
x. Communications (Deployment, System Status Management and Dispatching)
xi. Risk Management

g. Demonstrate progressive quality improvement results evidenced by annual written updates to CCCEMSA on the effectiveness of the plan and summary of activities conducted under the plan.
h. Include procedures to provide an Interim PCR or a completed ePCR for each patient response utilizing the CCCEMSA approved data system, and for delivery of the Interim PCR or ePCR to the receiving hospital in a timely manner.
i. Include linkages to continuing education programs.
j. Include action planning to improve performance based upon core indicators as established by CCCEMSA.

3. Field Training Officer (Train-the-Trainer) Program.
   a. Contractor shall require its Ambulance Subcontractor to develop and implement a comprehensive Field Training Officer (FTO) Program subject to approval by CCCEMSA. The FTO program shall, at a minimum, include:
      i. An outline of the responsibilities of the FTO and new hire ambulance employees.
      ii. Establishing minimum and maximum number of shifts or hours required for each new hire ambulance employee to complete during FTO evaluation.
      iii. Establishing a clearly defined pathway for remediation of deficiencies discovered during the field evaluation process.
      iv. Using standardized evaluation forms for all new hire ambulance employees
      v. Utilize industry best practices that promote a friendly and cooperative learning environment.
      vi. Ensuring new hire ambulance employees are afforded time with a FTO prior to working on an ambulance alone.
      vii. Utilize the education and personnel management process described in Section E(5)(c) above.
      viii. Ensuring that Contractor has sufficient number of qualified FTOs to support execution of the CQI plan, Contractor and CCCEMSA education and training programs, and other duties on behalf of Contractor.
      ix. Incorporate an evaluation method for both FTO of new hire ambulance employee and new hire ambulance employee of the FTO.

G. **Clinical Education Training.** Contractor shall require its Ambulance Subcontractor to develop and implement, upon approval by CCCEMSA, a clinical education and training program that utilizes contemporary performance-based methods and processes. The clinical education and training program shall be linked to the Ambulance Subcontractor's CQI program plan, and be

consistent with the CCCEMSA EQIP. The clinical education and training program shall include elements as outlined below:

1. Comprehensive and Integrated Training Programs. Contractor shall require its Ambulance Subcontractor to have a comprehensive training and education program for Ambulance Subcontractor's paramedics, EMTs, management, and support staff. Training and education classes shall be open to all Ambulance Subcontractor employees. Contractor is responsible for the training programs, but the programs shall adhere to CCCEMSA requirements and be developed collaboratively with CCCEMSA, hospitals, educational institutions, and other system partners.

2. Clinical Education Services. Contractor shall provide CCCEMSA with its Ambulance Subcontractor's Clinical and Educational Services (CES) organization schematic for approval. Contractor shall require that Ambulance Subcontractor's CES organization identify sufficient qualified personnel to provide that all education and training requirements as stated in this Contract are implemented and maintained.

3. Training Program Components.
   a. Contractor shall require that all new Transport Employees complete an orientation that is designed to prepare them to be fully functioning EMTs or Paramedics in the County. The orientation program shall be approved by CCCEMSA and will include, but not be limited to:
      i. Contra Costa EMS System overview
      ii. A review of all relevant CCCEMSA plans, programs, policies, protocols, and procedures as appropriate for the individual's level of credentialing and job duties
      iii. Customer service expectations and cultural awareness and sensitivity education
      iv. Demonstration of skills proficiency in optional and infrequent skills as identified in CCCEMSA policies, protocols, procedures, performance standards, and EQIP (This may be approved as a component of field evaluation and training)
      v. Geography and map reading skills training including key landmarks, routes to hospitals, and other major receiving facilities within Contra Costa County and surrounding areas
      vi. Hospital receiving centers, trauma centers, and specialty care centers including designated patient catchment areas
      vii. Radio communications with and between the ambulance, Base Hospital, receiving hospitals, county communications centers, and emergency operations frequencies
      viii. Contractor's policies and procedures
      ix. Emergency vehicle operations course (EVOC)
      x. Clinical quality improvement (CQI) plan
      xi. Human resources, benefits, payroll, and scheduling overview and training
      xii. Corporate and/or department compliance policies
      xiii. OSHA/Federal Laws and Regulations
      xiv. Dementia and elderly citizen training
      xv. Workplace health and safety
      xvi. Illness/Injury Prevention
      xvii. Infection Control and personal protective equipment use

xviii. Violence in the workplace
xix. Diversity in the workplace
xx. Harassment-free workplace
xxi. Medical and legal guidelines
xxii. Assaultive behavior management training
xxiii. Performance improvement
xxiv. Billing and reimbursement processes
xxv. Professionalism
xxvi. Back safety
xxvii. Critical incident stress management
xxviii. Patient care record system training and documentation standards
xxix. Trauma triage
xxx. Mobile data terminal instruction and communication
xxxi. Health Insurance Portability and Accountability Act (HIPAA),and the Health Information Technology for Economic and Clinical Health (HITECH) Act confidentiality and regulation
xxxii. Hazardous materials (first responder awareness level)
xxxiii. MCIs
xxxiv. Gurney operations
xxxv. Ambulance utilization and system status training
xxxvi. Cultural competence and linguistic access
xxxvii. Medical equipment familiarization, maintenance, user competency, and critical failure reporting
xxxviii. Code of conduct
xxxix. Field training program and new employee expectations
xl. Tuberculosis screening and Hepatitis B immunization
xli. Vehicle maintenance, including mandatory daily vehicle check
xlii. Hazardous material and communications and weapons of mass destruction
xliii. Patient focused care and advocacy

b. Contractor shall require its Ambulance Subcontractor to provide refresher training for each of the topics listed above to all Transport Employees as required by law.
c. Contractor shall require its Ambulance Subcontractor's general training and education programs to be made available to all EMS System stakeholders.

4. EMT Education and Training Requirements.
   a. The parties understand that required training may be modified by changes in CCCEMSA plans, programs, policies, protocols, and procedures. Education/training required for EMTs include:
      i. EMT skills competency (i.e. skills competency verification for EMT recertification)
      ii. Incident Command System ("ICS") 100, 200 and 700, 800 must be completed within three (3) months of hire
      iii. Infrequent Skills Lab: annual hands-on experience demonstrating proficiency in skills as defined by the EQIP;
      iv. Annual CCCEMSA policy, protocol, and procedures updates
      v. Annual training courses/offerings as identified by the CCCEMSA Medical Director, Contractor Medical Advisor, or CES Manager through CQI activities.
      vi. 9-1-1 ambulance/paramedic partner training

vii. Mandatory Contractor-based training no less than four (4) hours each between two (2) and four (4) times per year
viii. Annual attendance of two (2) hours of disaster training
ix. Annual attendance of an additional two (2) hours of disaster training focused on interoperability with fire and law enforcement
x. Annual attendance of a Communications Center evacuation drill
xi. Prior to working on a 9-1-1 ambulance with a Paramedic partner, EMTs will complete Contractor's competency based Paramedic Partner curriculum. This consists of a didactic curriculum and field training/evaluation to be submitted to CCCEMSA as part of Contractor's CQI plan. Following the didactic education, EMTs will be assigned to an ambulance with an authorized field training officer and complete a skills evaluation prior to being assigned to work one-on-one with a paramedic partner.

5. Paramedic Education and Training Requirements.
   a. The parties understand that required training may be modified by changes in CCCEMSA plans, programs, policies, protocols, and procedures. Education/training required for paramedics include:
      i. ICS 100, 200 and 700, 800 must be completed within three (3) months of hire
      ii. Infrequent Skills Lab: annual hands-on experience demonstrating proficiency on low-frequency, high-risk skills as defined by the EQIP;
      iii. Annual CCCEMSA policy, protocol and procedure updates
      iv. Attendance at a minimum of one (1) Base Hospital (BH) tape review meeting per year
      v. Annual attendance of two (2) hours of disaster training
      vi. Annual attendance of an additional two (2) hours of disaster training focused on interoperability with fire and law enforcement
      vii. Annual attendance of a Communications Center evacuation drill
      viii. Annual training courses/offerings as identified by the CCCEMSA Medical Director, Contractor Medical Advisor or CES Manager through CQI activities
      ix. All new paramedics will complete the field evaluation program prior to being placed on a field shift to work with an EMT partner. The field evaluation program shall require that the new paramedic function under the direct supervision of a CCCEMSA approved FTO during the evaluation period. The field evaluation program shall be in compliance with CCCEMSA policies and submitted as a part of Contractor's CQI plan.

6. Supervisor Education and Training Requirements.
   a. Contractor shall, and shall require its Ambulance Subcontractor to, collaborate with CCCEMSA to develop and implement a comprehensive field supervisor program that includes field operations guidelines and policies to be followed by Transport Employee supervisors. The parties understand that required training may be modified by changes in CCCEMSA plans, programs, policies, protocols, and procedures. Education/training required for Transport Employee supervisors include:
      i. Applicable training and education requirements for the supervisor's level of certification.
      ii. Attend at least one (1) disaster exercise and two (2) hours of disaster training annually.

SERVICE PLAN Contract Number _____
(Purchase of Services - Long Form)

7. Management and Key Support Staff Training and Education Requirements.
   a. The parties understand that required training may be modified by changes in CCCEMSA plans, programs, policies, protocols, and procedures. Education/training required for management and key support staff include:
      i. Applicable training and education requirements for the manager or support staff's level of certification.
      ii. National Incident Management System (NIMS) training, to include at a minimum Independent Study, 100, 200, 300, 400, 700, and 800.
      iii. Completion of an IHI certificate program focused on patient safety, quality, and leadership by June 30, 2017, for existing personnel and within eighteen (18) months of hire for new employees. IHI guidelines will be incorporated into the execution of the clinical quality improvement (CQI) plan, training, and education.

8. Quality and Clinical Supervisory Staff
   a. The parties understand that required training may be modified by changes in CCCEMSA plans, programs, policies, protocols, and procedures. Education/training required for Quality and Clinical Supervisory staff include:
      i. Applicable training and education requirements for the quality and clinical supervisory staff's level of certification.
      ii. Completion of an IHI certificate program focused on patient safety, quality, and leadership by June 30, 2017, for existing personnel and within eighteen (18) months of hire for new employees. IHI guidelines will be incorporated into the execution of the CQI plan, training, and education.

9. Driver Training and Safety
   a. All employees that operate emergency vehicles shall complete the following:
      i. All persons driving an ambulance or support emergency response vehicle (ERV) providing service under this Contract shall have successfully completed Contractor's 16-hour driver training program which is consistent with the Emergency Vehicle Operator Course (EVOC) curriculum of the U.S. Department of Transportation, but will include:
         A. California state vehicle codes pertaining to emergency vehicle operation
         B. Case studies of emergency vehicle collisions and litigation
         C. Vehicle characteristics
         D. Defensive driving
         E. Placement of vehicles at emergency incidents
         F. Driving policies and procedures
         G. Collision avoidance – split-second classroom simulations and decision-making drills behind the wheel of potential collision conditions
         H. Controlled speed – line-of-entry, hand positioning on the steering wheel, apexing, vehicle dynamics, and braking techniques
         I. Precision maneuvering – behind the wheel drills that include parallel parking, off-set lanes, three-point turnaround, backing in and out of parking stalls, and serpentines
         J. Training on all of Contractor's vehicle safety policies
         K. Mapping, Navigation and Area Familiarization Training.

Initials: _____ _____
Contractor County

ii. Contractor will subscribe to the California Department of Motor Vehicles' "Pull Notice" Program which tracks employee infractions of the California Vehicle Code.
iii. Contractor shall have a driver acceptability policy that establishes eligibility criteria for individuals to whom Contractor extends the privilege of emergency vehicle operation.
iv. Contractor will provide remedial driver training to employees who have been involved in a preventable collision or who have been identified as needing to improve their ambulance driving skills.

10. Infection Control Training. Contractor shall require its Ambulance Subcontractor to implement an expanded infection control program focused on decreasing cross-contamination among patients and protecting employees from infections, as outlined in the Ambulance Subcontractor's California Occupational Safety and Health Exposure Control Plan. Every Transport Employee shall receive training during new hire orientation on infection control, including how to use personal protective equipment as well as practices to reduce cross-contamination between themselves and patients and patient-to-patient. Ongoing practices and education, at a minimum, will include:
    a. Infection control training (airborne and blood borne)
    b. Cleaning, disinfection, and disposal
    c. Sharps exposure prevention
    d. Personal protective equipment
    e. Post-exposure management
    f. Respiratory protection program, including Cal OSHA 5199 Aerosol Transmissible Disease standard, that includes annual respirator fit testing
    g. Annual Tuberculosis testing at no cost to the employee
    h. Employee vaccinations including Hepatitis B and general influenza at no cost to the employee.

11. On-Going Evaluation of Training Programs. Contractor shall require its Ambulance Subcontractor to continuously evaluate the effectiveness of the training programs required under this Contract. At the monthly Collaboration Committee meetings, Contractor and the Ambulance Subcontractor shall update CCCEMSA on current revisions to the training programs required under this Contract, and shall provide an annual summary of training program evaluations.

12. Quality Improvement Hotline. Contractor shall establish an ambulance service quality improvement telephone number (the "QI Hotline") giving customers and EMS System participants the ability to leave commendations or suggestions for service improvements on a voice mailbox. Contractor shall publicize the QI Hotline telephone number at local healthcare facilities, first responder stations, and public safety agencies. Members of Contractor's QI/Leadership Team are to be automatically notified of any incoming calls to the QI Hotline. Incidents that require feedback are to be attended to by the end of the next business day.

13. Diversity Awareness. Contractor shall require its Ambulance Subcontractor to adopt and enforce policies and practices to deliver equal employment opportunity. Contractor shall require its Ambulance Subcontractor to participate along with CCCEMSA in the development of a cultural-competency training program and materials for emergency

responders. Contractor shall require its Ambulance Subcontractor to recruit and employ employees that possess culturally appropriate skills when interacting with the diverse County population.

H. Operations Performance Standards.

1. Emergency Response Zones (ERZ's). For the purposes of Ambulance staffing, Response Time monitoring, reporting, and compliance, the Service Area has been divided into four (4) ERZ's. Exhibit A (Emergency Response Zones Map), attached hereto and incorporated herein by this reference, illustrates the following ERZs:
   a. ERZ A: The territory of the City of Richmond.
   b. ERZ B: The territories of the City of El Cerrito, Kensington Fire Protection District, City of Pinole, Rodeo-Hercules Fire Protection District, Crockett-Carquinez Fire Protection District, and that portion of the Contra Costa County Fire Protection District covering San Pablo, El Sobrante, North Richmond, and other areas of western Contra Costa County.
   c. ERZ C: That portion of the territory of Contra Costa County Fire Protection District covering Walnut Creek, Concord, Clayton, Lafayette, Martinez, Pleasant Hill, and other areas of central Contra Costa County.
   d. ERZ D: That portion of the territory of Contra Costa County Fire Protection District covering Antioch, Pittsburg, Bay Point, and unincorporated areas of east Contra Costa County served by Contra Costa County Fire Protection District, and the territory of East Contra Costa County Fire Protection District covering Oakley, Brentwood, and the unincorporated area of East Contra Costa County Fire Protection District.

2. Response Density Zones. For the purposes of Response Time monitoring, reporting, and compliance, the Service Area has also been divided into two (2) Response Density Zones – High Density and Low Density as shown on Exhibit B (Response Density Map), attached hereto and incorporated herein by this reference. Upon Contractor's request, County shall provide this information as a map layer for use with geographic information systems (GIS).

3. Primary Response to Isolated Peripheral Areas. Contractor shall make a good faith effort to execute a satisfactory mutual aid agreement with agencies responding from a neighboring jurisdiction to support the response of the nearest appropriate unit to a request for ambulance response. CCCEMSA will approve an appropriately structured agreement to use the closer ambulance.

4. Response Time Performance Standards. Contractor shall require its Ambulance Subcontractor's Response Time on each request for paramedic emergency medical service originating from within Contractor's Service Area to meet the Response Time standards listed below (the "Response Time Standards"):
   a. Potentially Life Threatening Emergency Response (**Priority 1**). Priority 1 calls are calls for a response to a potentially life threatening situation, and are dispatched with emergency lights/sirens ("Priority 1"). When contacted by a PSAP with a Priority 1 call originating in Contractor's Service Area, Contractor shall place an ALS Ambulance on the scene with maximum Response Times as follows:
      i. Ten minutes and zero seconds (10:00) to calls originating in ERZ A.

ii. Eleven minutes forty-five seconds (11:45) to calls originating in ERZ's B, C, and D, except for low density designated areas.
iii. Sixteen minutes forty-five seconds (16:45) to calls in Bethel Island.
iv. Twenty minutes and zero seconds (20:00) to calls within areas designated as low density on Exhibit B (Response Density Map).

b. Non-Life Threatening Emergency Response (**Priority 2**). The parties may establish a definition for what constitutes a Priority 2 call. If the parties amend this Contract to add a definition for a Priority 2 call, then the following Response Times shall apply to Priority 2 calls. When contacted by a PSAP with a Priority 2 call originating in Contractor's Service Area, Contractor shall place an ALS Ambulance on the scene with maximum Response Times as follows:
i. Fifteen minutes and zero seconds (15:00) in designated high-density areas.
ii. Twenty minutes and zero seconds (20:00) to calls in Bethel Island.
iii. Thirty minutes and zero seconds (30:00) in areas designated as low density.

c. Non-Emergency Response (**Priority 3**). Priority 3 calls are calls for a response to a non-emergency ambulance situation, and are dispatched with no emergency lights/sirens ("Priority 3"). When contacted by a PSAP with a Priority 3 call originating in Contractor's Service Area, Contractor shall place an ALS Ambulance on the scene with a maximum Response Time of thirty minutes and zero seconds (30:00) in areas designated as high density, and a maximum Response Time of forty-five minutes and zero seconds (45:00) in areas designated as low density.

d. Non-Emergency Interfacility ALS Transports (**Priority 4**)
i. Scheduled; Three Hours Notice. If Contractor receives a call for an ALS interfacility non-emergency transport with at least three (3) hours notice, Contractor shall place an ALS Ambulance on the scene within fifteen minutes zero seconds (15:00) of the scheduled pickup time.
ii. Scheduled; Less Than Three Hours Notice. If Contractor receives a call for an ALS interfacility non-emergency transport with less than three (3) hours notice, Contractor shall place an ALS Ambulance on the scene within sixty minutes zero seconds (60:00) of the time of the request.

5. Medical Dispatch Improvement Collaboration. Contractor and County shall cooperate to improve the dispatch of Emergency Ambulances during the term of this Contract, including without limitation, efforts to improve more specific prioritization of calls and modification of Response Time requirements, and taking into consideration the costs to Contractor in implementing changes.

6. Response Time Calculation.
a. Response Time Calculations. On a monthly basis, CCCEMSA shall use Response Time data from Contractor's CAD system via CCCEMSA's online compliance utility tool to calculate Ambulance Response Times to determine compliance with the Response Time Standards in Section H(4) above. At the end of each calendar month, a date within the last fifteen (15) days of the month will be randomly selected. The thirty-day period ending with the randomly selected date will be used to measure Response Time compliance.
i. Response Time Area Subsets. Response Times will be measured for all responses within each ERZ in Contractor's Service Area, and are grouped by priority level. The

different density areas within each ERZ will be grouped for compliance Response Time measurement.

b. Time Call Received. For all requests for service, the term "Time Call Received" means the earlier of: (i) the time when an Emergency Medical Dispatch Center that directly dispatches the Ambulance receives adequate information to identify the location of the call and the priority level, and dispatches the call; and (ii) the time when an Emergency Medical Dispatch Center that directly dispatches the Ambulance receives adequate information to identify the location of the call and the priority level, and resources have been assigned, plus thirty (30) seconds.

c. Arrival On Scene Time. For all requests for service, the term "Arrival On Scene Time" means the moment the first Emergency Ambulance arrives and stops at the exact location where the ambulance shall be parked while the crew exits to approach the patient, and notifies the Emergency Medical Dispatch Center that it is fully stopped; provided, that in situations where the Emergency Ambulance has responded to a location other than the scene (e.g., staging areas for hazardous materials/violent crime incidents, non-secured scenes, gated communities or complexes or wilderness locations), the term "Arrival On Scene Time" means the time the Emergency Ambulance arrives at the designated staging location or nearest public road access point to the patient's location; provided further, and subject to subsection (d) below, if an Emergency Ambulance fails to report its Arrival On Scene Time, the time of the next communication between the Emergency Medical Dispatch Center and that Emergency Ambulance shall be used as the Arrival On Scene Time.

d. Failure to Report Arrival On Scene Time. If an Emergency Ambulance fails to report its Arrival On Scene Time, the time of the next communication with that Emergency Ambulance shall be used as the Arrival On Scene Time; provided, that Contractor may document the Emergency Ambulance's actual Arrival On Scene Time through other means (e.g., first responder, automatic vehicle location services, communications tapes/logs, etc.) so long as an auditable or unedited computer generated report is produced.

e. Upgrades. If an Ambulance assignment is upgraded (e.g., from Priority 2 to Priority 1) prior to an Emergency Ambulance Arrival On Scene Time, Contractor's Response Time compliance shall be calculated based on the shorter of: (i) time elapsed from call receipt to time of upgrade plus the higher priority Response Time; and (ii) the lower priority Response Time.

f. Downgrades. If a call is downgraded prior to Arrival on Scene Time, (e.g. from Priority 1 to Priority 2), Contractor's Response Time compliance shall be determined as follows:
   i. If the time of the downgrade occurs after the Ambulance has exceeded the higher priority Response Time Standard, the more stringent higher priority Response Time Standard will apply; or,
   ii. If the time of the downgrade occurs before the ambulance has exceeded the higher priority Response Time Standard, the less stringent lower priority Response Time Standard will apply. In all such cases documentation must be presented for validation of the reason why the priority status was downgraded. If the downgrade was justified in the sole discretion of the County Contract Administrator, the longer standard will apply.

g. Reassignment Enroute. If an Emergency Ambulance is reassigned enroute to a call, or turned around prior to Arrival On Scene Time (e.g., to respond to a higher priority

request), compliance with Response Time Standards will be calculated based on the Response Time Standard applicable to the priority assigned to the initial response. The Response Time clock will not stop until an Ambulance has an Arrival On Scene Time for the call from which the Ambulance was diverted.

h. Cancelled Calls. If an Emergency Ambulance is cancelled by an authorized agency after an assignment has been made, but prior to an Arrival On Scene Time, Contractor's Emergency Ambulance Response Time clock will stop at the time of cancellation, and Response Time will be the elapsed time from the Time Call Received to the time the call was cancelled.

7. Response Density Reassessment. CCCEMSA may evaluate the call density and density zone structure to address changes occurring within each zone. CCCEMSA will work with Contractor to define and implement any proposed changes to density reassessment throughout the term of this Contract. Response Time compliance changes pursuant to this section will be modified by readjusting the then current map (Exhibit B) defining the density designations by mutual agreement of the parties.

8. Response Time Exemptions. In calculating Contractor's Response Time performance, every emergency request from an Emergency Medical Dispatch Center originating from within Contractor's Service Area shall be included except as follows:
   a. Multiple Responses. In case of a multiple-response incident (i.e., where more than one ambulance is sent to the same incident), only the Response Time of the first arriving ALS Ambulance shall be counted.
   b. Responses During an MCI or Disaster. During an MCI or disaster declared by the County, or during a declared disaster in a neighboring jurisdiction to which ambulance assistance is being provided as requested by County, CCEMSA will determine, on a case-by-case basis, if Contractor may be temporarily exempt from response-time criteria. When Contractor is notified that multi-casualty or disaster assistance is no longer required, Contractor shall return all of its resources to the Service Area and shall resume all operations as required under the Contract.
   c. Good Cause. The County Contract Administrator may allow exemptions to Response Time requirements for good cause at the County Contract Administrator's sole discretion. At a minimum, the asserted ground(s) for exemption must have been a substantial factor in producing a particular excess Response Time and Contractor must have demonstrated a good faith effort to respond to the call(s). Good causes for an exemption may include, but are not limited to: incorrect or inaccurate dispatch information received from an Emergency Medical Dispatch Center; disrupted voice or data radio transmission (not due to Contractor equipment or infrastructure); material change in dispatch location; unavoidable telephone communications failure; inability to locate address due to non-existent address; inability to locate patient due to patient departing the scene; delays caused by traffic secondary to the incident; unavoidable delays caused by extreme inclement weather (e.g., fog); unavoidable delays caused by trains; delays resulting from depletion of resources as a result of County authorized mutual aid; calls to locations that are greater than ten (10) road miles from the nearest boundary of the high-density area, or calls to off-road locations; and extended delays at hospitals for transferring patients to receiving facility personnel.

i. Equipment failure, Ambulance failure, lost Ambulance crews, or other causes deemed to be within Contractor's or its Ambulance Subcontractor's control or awareness are not grounds to grant an exemption to a Response Time Standard.

9. Exemption Request Procedure.
   a. CCEMSA Exemption Request Procedure. CCCEMSA has developed and adopted a Response Time Exemption Request Procedure (the "Exemption Request Procedure") that Contractor and CCCEMSA will follow in considering whether an exemption to a Response Time Standard is appropriate.
   b. Request for Exemption Consideration.
      i. Application for Exemption. If Contractor believes that any response or group of responses should be exempted from the Response Time Standards due to unusual factors beyond Contractor's reasonable control, Contractor may request an exemption to a required Response Time Standard in writing to the County Contract Administrator. Contractor shall provide CCCEMSA with detailed documentation for each response for which it is seeking an exemption, and request that CCCEMSA exempt the identified responses from Response Time calculations and associated penalties. Any request for a Response Time exemption must be received by the County Contract Administrator within ten (10) business days after the completion of the response. A request for an exemption received more than ten business days (10) after the completion of the response will not be considered.
      ii. Exemption Review Process. If Contractor disagrees with the County Contract Administrator's decision regarding a Response Time exemption request, it shall follow the dispute resolution process set forth in Section P(13).
   c. Dispatch to Enroute Exemptions. At the sole discretion of CCCEMSA, calls with an extended period of time between ambulance dispatch and the ambulance being enroute of more than two (2) minutes may be excluded from consideration as exemptions.

10. Response Time Performance Reporting Requirements.
   a. Documentation of Incident Time Intervals. Contractor shall document all times necessary to determine total ambulance Response Time including, but not limited to, time call received by the Emergency Medical Dispatch Center, time ambulance crew assigned, time enroute to scene, arrival at scene time, total on-scene time, time enroute to hospital, total time to transport to hospital, arrival at hospital time, and time of transfer of patient care to hospital personnel. All times shall be recorded in an ePCR form and in Contractor's computer aided dispatch system. Other times may be required to document specific activities such as arrival at patient side, times of defibrillation, administration of treatments and medications and other instances deemed important for clinical care monitoring and research activities.
   b. Interface to CAD and ePCR. Contractor shall provide an interface with the CAD database and ePCR System for CCCEMSA to extract and corroborate Response Time performance. Contractor may not make changes to times entered into the CAD during or after the event. Any changes to times will be managed via the Exemption Request Procedure and documented in a separate system after review and approval by CCCEMSA.
   c. Response Time Performance Report.

i. Within ten (10) business days after the end of each month, Contractor shall document and report Response Time performance to the County Contract Administrator in writing, in a manner specified by the County Contract Administrator.
ii. Contractor shall report performance for each priority level in each ERZ.
iii. Contractor shall use Response Time data in an on-going manner to evaluate Contractor's performance and compliance with Response Time Standards in an effort to continually improve its Response Time performance levels.
iv. Contractor shall identify the causes of failures of performance, and shall document efforts to eliminate these problems on an on-going basis.
v. Contractor shall provide an explanation for every call exceeding the required Response Time Standard.
vi. County may impose a penalty on Contractor in the amount set forth in Exhibit C (Penalties) for each instance in which a report was not delivered on time.

d. Penalty Provisions.
i. Penalty for Failure to Report Arrival On Scene Time. County may impose a penalty on Contractor in the amount set forth in Exhibit C (Penalties) for each time an Emergency Ambulance is dispatched and the ambulance crew fails to report and document an Arrival On Scene Time. Contractor, in order to rectify the failure to report an Arrival On Scene Time and to avoid the penalty, may demonstrate to the satisfaction of the County Contract Administrator an accurate on-scene time. Where an Arrival On Scene Time for a particular emergency call is not documented or demonstrated to be accurate, the Response Time for that call shall be deemed to have exceeded the required Response Time for purposes of determining Response Time compliance.
ii. Penalty for Failure to Comply with Response Time Requirements. County may impose a penalty on Contractor for each month that Contractor fails to comply with the Response Time requirements in at least ninety percent (90.0%) of calls in any ERZ based on the percentage of compliance for all responses in the ERZ in the categories represented in Exhibit C (Penalties) attached hereto and incorporated herein. Failure of Contractor to achieve at least 88% Response Time compliance in each ERZ for Emergency Ambulance requests will require that Contractor submit and implement an Ambulance deployment plan that includes additional staffed ambulance hours aimed to achieve 90% compliance with Response Time Standards.
iii. Priority 4 Response Time Measurement. Priority 4 (non-emergency ALS interfacility transfer) Response Times will be measured using Contractor's entire Service Area and not by priority levels for each ERZ.
iv. Repetitive Non-Compliance. For the purpose of measuring Response Time compliance, the term "Repetitive Non-Compliance" means, for any measured Response Time subset that (i) Contractor's Response Time compliance has been less than 90% for three (3) consecutive months, or (ii) there have been five (5) instances where Contractor's Response Time compliance was less than 90% in any twelve-month period. If Contractor's Response Times result in Repetitive Non-Compliance, CCCEMSA shall provide Contractor with written notice thereof, and Contractor shall submit a plan of corrective action to CCCEMSA within thirty (30) days after being notified of its Repetitive Non-Compliance.

v. Isolated Instances. Isolated instances of individual deviations from Response Time Standards shall not be treated as instances of Repetitive Non-Compliance.
vi. Insufficient Call Number. Any measured Response Time subset of measurement of calls that does not exceed 100 responses in a single month shall be added to the next month's responses and accumulated until the minimum of 100 responses is documented at which point compliance determinations will be made.

11. Penalties for Outlier Responses. An "Outlier Response" means a Response Time that is excessive for the category, such that it represents a potential threat to health and safety. County may impose a penalty on Contractor for any call where the actual Response Time equals or exceeds the applicable Outlier Response Time set forth in Exhibit C (Penalties). Penalties will be based on ERZ and the priority level assigned to the call. The imposition of a penalty for an Outlier Response is in addition to a penalty assessed for Contractor's Response Time compliance requirements.

12. Additional Penalty Provisions. CCCEMSA may impose financial penalties as delineated in Exhibit C (Penalties).

13. Penalty Disputes. Contractor may appeal to CCCEMSA in writing within ten (10) business days after receipt of notification of the imposition of any penalty or regarding CCCEMSA's penalty calculations. The County Contract Administrator will review all such appeals and make the decision to eliminate, modify, or maintain the appealed penalty. If Contractor disagrees with the County Contract Administrator's decision regarding a penalty appeal, Contractor may utilize the dispute resolution process set forth in Section P(13).

14. Stand-by. Contractor shall provide, at no charge to County or another requesting public safety agency, stand-by services at the scene of an emergency incident within the Service Area when directed by an Emergency Medical Dispatch Center. An ambulance unit placed on stand-by shall be dedicated to the incident for which it has been placed on stand-by. Any stand-by periods scheduled to exceed eight (8) hours must be approved in advance by the County Contract Administrator in writing. Contractor shall immediately notify the requesting agency incident commander when a stand-by exceeding one (1) hour may limit Contractor's ability to meet the Response Time Standards for the impacted ERZ, and shall notify the County Contract Administrator in writing by the following business day.

I. Personnel Standards.

1. Applicability. The personnel standards set forth in this section apply to the Ambulance Subcontractor's employees unless otherwise specified.

2. Employee Character/Fitness. Contractor shall require its Ambulance Subcontractor to employ employees who are highly qualified, competent, and of high moral and ethical character, and who understand that they represent the County as emergency service providers.

3. Prescreening of Employees. Contractor shall require all Transport Employees and Transport Employee candidates to be prescreened to determine their qualifications, moral and ethical character, and that they are not prohibited from performing the duties for which they were hired.

a. Background Check. Contractor shall require its Ambulance Subcontractor employees to undergo a background check prior to employment, or if already employed, to undergo rechecks as needed. Contractor's Ambulance Subcontractor will additionally perform annual Department of Motor Vehicle driving record pulls for all Transport Employees. The initial background check shall include criminal history, verification of employment, verification of license/certifications and training required under this Contract for the position for which the individual was hired. Contractor shall provide the results of the criminal and background checks to CCCEMSA when background information is revealed that would result in licensure or certification action under California Health and Safety Code section 1798.200(c)(1) through (c)(12), or when requested by CCCEMSA. Contractor shall require its Ambulance Subcontractor to bear the costs associated with pre-employment and periodic background checks

b. U.S. Government Excluded Parties List System (EPLS). Contractor shall require all Transport Employees to be checked against the EPLS. Contractor shall prohibit its Ambulance Subcontractor from employing any person who has been listed as an excluded person on the EPLS.

c. Office of Inspector General (OIG). Contractor shall require all Transport Employees to be checked against the OIG's exclusion list. Contractor shall prohibit its Ambulance Subcontractor from employing any person who has been listed as an excluded person by the OIG.

4. Drug Testing. Contractor shall require all Transport Employees to undergo a biological fluid test for drugs prior to employment and require that the results of the drug test are negative to qualify for employment as a Transport Employee. The use or consumption of marijuana pursuant to a medical recommendation is not an exemption to the zero tolerance policy for drug use under this provision. Contractor will comply with the Drug-Free Workplace Act (41 U.S.C. section 8101 et seq.). Contractor shall require its Ambulance Subcontractor to (a) implement a zero tolerance policy for drug use and alcohol abuse that includes ensuring that employees are free from the influence of alcohol and intoxicating drugs while on-duty, and (b) prohibit any employee from using, possessing, concealing, manufacturing, transporting, selling, buying, or promoting the sale of any illegal drug.

5. Physical Ability. Contractor shall require all Transport Employee candidates to undergo a physical ability test prior to employment, and upon returning to employment from leave of absence in excess of thirty (30) days, and upon returning from any injury that resulted in an employee missing at least thirty (30) days of work, by a licensed healthcare provider qualified to perform such tests. The physical ability test shall simulate the physical abilities needed to lift and transport patients and equipment in the field.

6. Credentials. Contractor shall require all Transport Employees to be currently and appropriately credentialed.
   a. Contractor shall require its Ambulance Subcontractor to retain on file at all times, copies of all current and valid licenses, certifications, and/or accreditations of all emergency medical personnel performing services pursuant to this Contract. Contractor shall require its Ambulance Subcontractor to make available to CCCEMSA, for inspection and copying during business hours, all records and documents retained on file pursuant to this provision.

b. Contractor shall require its Ambulance Subcontractor to employee Transport Employees that are currently certified, licensed and/or accredited at all times when assigned to provide services pursuant to this Contract. Contractor shall require its Ambulance Subcontractor to verify all state licenses and certifications for prehospital providers through the State's Central Registry, and for nurses through the State's Department of Consumer affairs nurse license search. Contractor shall require its Ambulance Subcontractor to visually verify all credentials and certifications.

7. Employee Records/Termination. Contractor shall provide CCCEMSA with a list of its Ambulance Contractor's currently employed Transport Employees, and shall update that list as soon as practical, and in no event later than thirty (30) days, after a paramedic or EMT leaves or enters Ambulance Subcontractor's employ. At minimum, the personnel list shall include the name, residential and mailing address, telephone number, CPR expiration dates, and California Driver License number of each person on the list. For each paramedic, the list shall also include the paramedic's California paramedic license number and expiration date and ACLS, PEPP/PALS, and PHTLS/ITLS expiration dates. For each EMT, the list shall also include the EMT's California certification number and expiration date.
   a. In those cases where a paramedic or EMT leaves the Ambulance Subcontractor's employ as a result of a disciplinary cause, including administrative leave, suspension, retirement, or resignation while the employee has knowledge of a pending disciplinary cause, Contractor shall provide CCCEMSA with the basis for the termination, resignation, or retirement as well as the initial and final investigatory findings surrounding the alleged misconduct as soon as practical, but in no case, more than three (3) days.
   b. Contractor shall notify EMSA, on the paramedic investigation request form or other form approved by EMSA for reporting paramedic misconduct, of each and every paramedic that leaves Ambulance Subcontractor's employ as a result of a disciplinary cause, including suspension, retirement, or resignation while the employee has knowledge of a pending disciplinary cause. Contractor shall provide CCCEMSA with a copy of the paramedic investigation request or other approved form submitted to EMSA with supporting documents and attachments no later than the following business day.

8. Tuberculosis and Hepatitis. Contractor shall require its Ambulance Subcontractor to provide all new and existing Transport Employees with initial and annual tuberculosis testing at no cost to the Transport Employee. Contractor shall require its Ambulance Subcontractor to offer all new and existing Ambulance Subcontractor clinical and operational employees Hepatitis B and annual influenza vaccinations.

9. Assault Management Training.
   a. Contractor shall require its Ambulance Subcontractor to train all new and existing Transport Employees in the skills necessary to effectively manage patients with psychiatric, drug/alcohol, or other behavior or stress related problems, including communication, proper and legal use of force and restraints, and how to handle these patients safely.
   b. Contractor shall require its Ambulance Subcontractor to offer an annual refresher course in assault management that has been approved by CCCEMSA.

SERVICE PLAN Contract Number _____
(Purchase of Services - Long Form)

10. Paramedic Minimum Qualifications. Contractor shall require its Ambulance Subcontractor's Paramedic Transport Employees to meet the following minimum Paramedic qualifications. County may impose a penalty on Contractor in the amount set forth in Exhibit C (Penalties) for each instance in which a Paramedic Transport Employee fails to satisfy these minimum qualifications.
    a. Licensed as a paramedic in the State of California;
    b. Accredited as a paramedic in Contra Costa County, or alternatively, unaccredited but assigned to an ambulance with an accredited paramedic while the accreditation is pending. If an unaccredited paramedic is assigned to an ambulance with an accredited paramedic, the unaccredited paramedic pending accreditation shall not be permitted to perform any skill in CCCEMSA's optional scope of practice for paramedics. The unaccredited paramedic shall not work more than thirty (30) days without accreditation;
    c. Currently certified in advanced cardiovascular life support according to the American Heart Association (AHA);
    d. Currently certified in prehospital trauma life support (PHTLS) or international trauma life support (ITLS), or Contractor's Ambulance Subcontractor shall document that each paramedic has satisfactorily completed comparable training to master competency in the skills included in the PHTLS or ITLS curriculum and approved by the EMS Medical Director;
        i. Paramedic personnel assigned to work with a currently PHTLS or ITLS certified partner may have up to three (3) months from date of hire to obtain said certification.
    e. Currently certified in pediatric education for prehospital professionals (PEPP) or pediatric advanced life support (PALS).
        i. Paramedic employees assigned to work with a currently PEPP or PALS certified partner may have up to three (3) months from date of hire to obtain said certification.
        ii. Contractor shall require its Ambulance Subcontractor to supplement required PEPP/PALS training with annual infant and pediatric simulation training focused on early recognition and management of pre-arrest and other life threatening conditions.
        iii. Contractor shall require Transport Employees to review prehospital procedures for Safely Surrendered Baby Program.
    f. Currently trained and certified in CPR according to the current AHA's Guidelines for Cardiopulmonary Resuscitation and Emergency Cardiovascular Care at the Healthcare Provider or Prehospital Care Provider level;
    g. Valid California driver license, ambulance drivers' license, and Medical Examiner certificate; and
    h. Currently certified as an emergency vehicle operator according to the emergency vehicle operations course or equivalent training.

11. EMT Minimum Qualifications. Contractor shall require its Ambulance Subcontractor's EMT Transport Employees assigned to provide EMT services pursuant to this Contract to meet the following minimum qualifications. County may impose a penalty on Contractor in the amount set forth in Exhibit C (Penalties) for each instance in which an EMT Transport Employee fails to satisfy these minimum qualifications.
    a. Currently certified as an EMT in the State of California;
    b. Valid California driver license, ambulance driver license, and a Medical Examiner certificate;

Initials: _____ _____
Contractor County

c. Currently trained and certified in CPR according to the current AHA's Guidelines for Cardiopulmonary Resuscitation and Emergency Cardiovascular Care at the Healthcare Provider level or Prehospital Care Provider level; and
d. Currently certified as an emergency vehicle operator according to the vehicle operations course or equivalent training or equivalent training.

12. Supervisors. Contractor shall require its Ambulance Subcontractor to employ personnel assigned to supervisory positions, whether temporarily or permanently, to be well trained and qualified. Contractor shall require its Ambulance Subcontractor to take steps to employ supervisory personnel that are continually trained and prepared for any unforeseen event at no cost to the employee.
    a. Credentials. All Transport Employee supervisory personnel shall be licensed and accredited in Contra Costa County at the paramedic level, have at least three years paramedic experience with at least one of those years working in the County EMS System, and shall have successfully completed the Federal Emergency Management Institute – Incident Command System (ICS) series 100, 200, 300 and 400, and NIMS 700 and 800b, within 6 months of appointment. Supervisory personnel shall attend a CCCEMSA approved Ambulance Strike Team Leader course and shall be certified as AST Leaders within one (1) year of execution of this Contract. Transport Employee supervisory personnel shall all be trained, and shall receive refresher training, in critical incident stress management and actively participate as a CISM team member.
    b. Professional Development. Prior to acting in a supervisory role, all candidates for Transport Employee supervisorial positions shall have received Ambulance Subcontractor provided training to enable the supervisor to effectively and successfully perform their duties. Examples of said training include, but in no way shall be limited to, conflict resolution management, training in relevant employment laws, multi-casualty incident plan and response, Contractor's policies and procedures, CCCEMSA event notification requirements, infection control and response to employee exposure, MHOAC activation, and dispatch procedures. Supervisory personnel shall receive annual refresher training at no cost to the employee.

13. Dispatchers. Contractor shall employ dispatchers that are trained and highly qualified in answering 9-1-1 calls for emergency medical services. Dispatchers assigned to answer 9-1-1 calls for emergency medical service or process emergency medical requests for service shall be certified as emergency medical dispatchers and shall maintain such certification.

14. Uniforms/Appearance. Contractor shall require its Ambulance Subcontractor to provide uniforms to its Transport Employees who provide services pursuant to this Contract. The uniforms must be distinctive from all other ambulance service providers and shall bear the County approved EMS patch and the field providers' certification and license level, or supervisory capacity, and name. Uniforms and their insignia shall be approved by CCCEMSA. Contractor shall require its Ambulance Subcontractor to require its Transport Employees to properly wear their issued uniform, are well groomed, and maintain a professional appearance at all times.

15. Fatigue awareness and mitigation. Contractor shall develop a policy that stipulates the maximum amount of time an employee can continuously be on-duty; and rest/sleep

requirements that must be followed for all employees that are continuously on-duty for more than twelve (12) hours.

16. Paramedic Preceptors. Contractor shall require its Ambulance Subcontractor to cooperate with CCCEMSA-approved paramedic training programs and with CCCEMSA to develop a paramedic preceptor program. The paramedic preceptor program shall provide adequate paramedic field internship positions in support of CCCEMSA approved programs. Preferential placement for paramedic field internships shall be provided to CCCEMSA approved paramedic programs.

J. Fleet and Equipment.

1. Contractor shall require its Ambulance Subcontractor to acquire and maintain all ambulances and support vehicles necessary to perform its services pursuant to this Contract. All costs of maintenance including parts, supplies, spare parts and costs of extended maintenance agreements shall be the responsibility of Contractor.

2. Fleet Ambulance Requirement. Contractor shall require its Ambulance Subcontractor to maintain the number of ALS equipped and fully operating Ambulances that represents at least 120% of the peak staffing level established by Ambulance Subcontractor. If a fraction is derived when multiplying the peak number of units by 120%, the number will be rounded up to the next whole integer (i.e., 32.4 would be rounded to 33). For example, if Contractor's peak number of ambulances is twenty-seven (27), then Contractor is to maintain a fleet of at least 33 ambulances (27 x 120% = 32.4 rounded to 33).
   a. Contractor shall require its Ambulance Subcontractor to maintain a back-up fleet of Ambulances from its regional and national fleet as needed to supplement special events or disaster response within the County.
   b. Contractor will submit a plan detailing number of units available and time frames needed to activate vehicles for system response, as well as the mechanism for assuring that required equipment is available on back-up units.

3. Fleet Vehicle Requirement. In addition to the fleet Ambulance requirement specified above, Contractor shall require its Ambulance Subcontractor to maintain the following minimum vehicle fleet:
   a. one (1) bariatric capable transport unit;
   b. one (1) specialized infectious disease capable transport unit
   c. five (5) Supervisor vehicles;
   d. three (3) support vehicles;
   e. four (4) Disaster units, comprised of one (1) disaster medical support unit or its equivalent, and three (3) MCI trailers;
   f. two (2) Decon units.

4. Vehicles.
   a. Ambulances used in providing services under this Contract shall meet the standards of Title XIII, California Code of Regulations.
   b. Ambulance vehicles used in providing services under this Contract shall bear the markings "Contra Costa County Fire - EMS" in at least four (4) inch letters on both sides. Such vehicles shall display the "9-1-1" emergency telephone number and state the level of service, "Paramedic Unit," on both sides.

c. All vehicles shall be marked to identify the company name, but shall not display any telephone number other than 9-1-1 or any other advertisement.
d. Overall design, color, and lettering are subject to the approval of the County Contract Administrator.
e. Each ambulance shall be equipped with functional GPS route navigation capabilities.
f. Contractor shall require its Ambulance Subcontractor to replace any Ambulance when it reaches five (5) years of service or 195,000 miles, whichever occurs first.
g. Contractor is responsible for all maintenance of Ambulances, support vehicles, and on-board equipment used in the performance of its work. Any Ambulance, support vehicle, and/or piece of equipment with any deficiency that compromises, or may reasonably compromise its function, shall be immediately removed from service.
    i. Contractor shall require its Ambulance Subcontractor to remove Ambulances, support vehicles, and equipment that have defects, including significant visible but only cosmetic damage, from service for repair without undue delay.
h. Contractor shall require its Ambulance Subcontractor to maintain a vehicle maintenance program that is designed and conducted to achieve the highest standard of reliability appropriate to a modern high performance ambulance service. Ambulance Subcontractor's vehicle maintenance program shall use appropriately trained personnel who are knowledgeable in: the maintenance and repair of ambulances, developing and implementing standardized maintenance practices, and shall incorporate an automated or manual maintenance program record keeping system.
i. Contractor shall require its Ambulance Subcontractor to use patient point of care equipment on all Ambulances that meets Clinical Laboratory Improvement Amendments (CLIA) standards, and submit a description of the program to CCCEMSA.
j. All costs of maintenance and repairs, including parts, supplies, spare parts and inventories of supplies, labor, subcontracted services, and costs of extended warranties, shall be at Contractor's expense.

5. Equipment.
    a. All Ambulances performing services pursuant to this Contract shall carry all emergency supplies and equipment identified in the County Ambulance Equipment and Supply list on file at CCCEMSA, 1340 Arnold Drive, Suite 126 Martinez, CA. Acquisition and maintenance of all equipment, including parts, supplies, spare parts, and costs of extended maintenance agreements, are the responsibility of Contractor.
        i. Contractor shall require its Ambulance Subcontractor to maintain inventory control and equipment maintenance systems which keep the ambulance fleet fully stocked with quality equipment in good working order at all times.
        ii. Contractor agrees that equipment and supply requirements may be changed with the approval of County Contract Administrator due to changes in technology.
    b. CCCEMSA may inspect the Ambulance Subcontractor's Ambulances at any time, without prior notice. If any Ambulance fails to meet the minimum in-service requirements contained in the Ambulance Equipment and Supply list as determined by CCCEMSA, CCCEMSA may:
        i. Immediately order the Ambulance removed from service until the deficiency is corrected if the missing item is deemed a critical omission;
        ii. Subject Contractor to a per-incident penalty as described in Exhibit C (Penalties);
        iii. The foregoing shall not preclude dispatch of the nearest available Ambulance even though not fully equipped, in response to a life threatening emergency so long as

another appropriately equipped ambulance of at least equal level of service is also dispatched to the scene. CCCEMSA may adopt protocols governing provisional dispatch of Ambulances not in compliance with minimum in-service requirements and Contractor shall comply with these protocols.

c. Contractor shall maintain a system to exchange on a one-for-one basis medical supplies and equipment supplied by a fire first responder agency in connection with patient transport.

K. Communications.

1. System Integration. Contractor shall require its Ambulance Subcontractor to establish policies and procedures for the integration of radio and data communications with PSAPs, the Base Hospital, and on-scene incident command.

2. Communications Center Operations. Contractor shall operate a communications center located within Contra Costa County and maintain all hardware and software (fixed, mobile, interfaces, and networks) necessary to receive and fulfill requests for emergency ambulance services made by County PSAPs. Contractor shall be capable of receiving and replying to requests for emergency ambulance services by voice and by CAD interface. Contractor's Emergency Medical Dispatch Center shall be capable of dispatching all Ambulance units used to provide Emergency Ambulance Services pursuant to this Contract.
   a. Computer Aided Dispatch (CAD). Contractor shall maintain a CAD system that provides a complete audit trail for all Response Times and provides CCCEMSA access to the Response Time data at any time to review Contractor compliance.
   b. Contractor shall provide CCCEMSA staff electronic access to allow real-time monitoring of CAD systems
   c. Contractor shall provide access to Contractor's CAD for CCCEMSA staff to audit and create reports for system performance monitoring.
   d. Contractor shall pay all costs incurred to provide required CCCEMSA access to the CAD system.

3. Data Linkages. Contractor shall maintain data linkages specified in the current version of the County Message Transmission Network (MTN) Standard, which is incorporated herein by reference. A copy of the MTN standard is on file at CCCEMSA, 1340 Arnold Drive, Suite 126, Martinez, CA.

a. Contractor shall pay for its share of costs for all interfaces to its computer equipment and data systems, connectivity costs and for hardware at Contractor's communications facility.

4. Continuity of Operations Plan; Implementation. Contractor shall, and shall rquire its Ambulance Subcontractor's information system's hardware, software and personnel to be capable of receiving and processing required data including, but not limited to, the ability to continuously monitor data transfer system stability and resolve system failures. Contractor shall prepare a plan addressing continuity of operations in the event of a CAD outage, which shall be submitted to CCCEMSA for approval within sixty (60) days after the effective date of this Contract. In the event of a CAD outage, Contractor shall deploy the CCCEMSA approved continuity of operations plan.

SERVICE PLAN Contract Number ____
(Purchase of Services - Long Form)

5. Staffing. Contractor shall maintain staffing levels so that electronic or telephonic notifications from a PSAP or an Emergency Medical Dispatch Center are answered or responded to within fifteen (15) seconds, 95% of the time, and that ambulances are dispatched to respond to Emergency Requests within thirty (30) seconds, 90% of the time, following the Emergency Medical Dispatch Center's receipt of information establishing a location and priority for the response.

    a. Lead Direction. Contractor shall have a senior dispatcher to supervise dispatch operations twenty four (24) hours per day, every day during the term of this Contract.
    b. Dispatcher/ Call Taker. Contractor shall have a comprehensive dispatcher/call taker program to provide dispatch operations twenty four (24) hours per day, every day during the term of this Contract. The dispatcher call taker program shall also contain requirements for employee eligibility, education and training.
    c. Prioritization. Dispatchers assigned to process emergency medical requests for service shall appropriately prioritize EMS calls and provide pre-arrival instructions to callers using a medical priority dispatch system approved by the EMS Medical Director.
    d. EMD Advancement Series. Contractor agrees to provide access to the Priority Dispatch EMD Advancement Series to all emergency medical dispatch certified personnel.
    e. QA Reviewers. Contractor shall provide access to Emergency Medical Dispatch Quality Assurance reviewers to assist with monthly dispatch call reviews

6. System Improvement. Contractor agrees to participate in a process to improve the medical call-taking and dispatch processes to achieve full implementation of prioritization of all requests for ambulance service and agrees to work with CCCEMSA to effect such changes. Contractor agrees to negotiate with CCCEMSA in good faith to achieve these goals.

7. Radio Equipment Requirements. Contractor is responsible for all mobile radio equipment and cellular phones used in the field, including obtaining radio channels and all necessary FCC licenses and other permits as may be required for the operation of the system.

    a. Contractor shall require its Ambulance Subcontractor's communications system to be capable of receiving and transmitting all communications necessary to provide emergency ambulance services pursuant to this Contract, including communicating with hospitals and other public safety agencies as required in a declared disaster situation. Radio equipment used for ambulance-to-hospital communications shall be configured so that personnel providing patient care are able to directly communicate with the base or receiving hospital staff about the patient. Communication equipment used by Ambulance crews shall be capable of transmitting 12-lead ECGs to receiving facilities.
    b. Contractor shall require its Ambulance Subcontractor to equip all Ambulances and supervisory vehicles used in performance of services in Contra Costa County with radio equipment for communications with Emergency Medical Dispatch Centers. Radios shall be programmed with appropriate frequencies/talk groups to function on

the East Bay Regional Communications System and suitable for operation on the California On-Scene Emergency Coordination Radio System.

c. Contractor shall require its Ambulance Subcontractor to provide each crew member assigned to an Ambulance or supervisor unit with a portable radio.
d. Contractor shall require its Ambulance Subcontractor to operate its two-way radios in conformance with all applicable rules and regulations of the Federal Communication Commission (FCC), and in conformance with all applicable CCCEMSA rules and operating procedures.
e. Contractor shall require its Ambulance Subcontractor to provide access to cellular telephones for use on Ambulances and supervisory units.

8. AVL/Data Equipment Requirements. Contractor shall equip all ambulances with Automatic Vehicle Location (AVL) devices and mobile data terminals/computers (MDT). Contractor shall supply AVL feeds to CCCEMSA and other public safety agencies as authorized and requested by CCCEMSA.

9. Hospital Communications Network. Contractor's Emergency Medical Dispatch Center shall be equipped with all equipment and software necessary for participation in the CCCEMSA-designated hospital communication network and shall train all of Contractor's dispatchers to be familiar with said hospital communications network. Contractor's dispatchers shall notify ambulance personnel when alerted through the hospital communications network that a hospital's ability to accept patients in its emergency department has changed.

L. Customer Service and Community Education.

1. Community Education. Contractor shall require its Ambulance Subcontractor to undertake a program of health status improvement and community education to support meaningful use, health information exchange, and exploration of alternative mobile health services models in partnership with CCCEMSA, Contra Costa County Public Health Services, and other health system partners. No later than January 1, 2017, and prior to January 1 of each year thereafter, Contractor shall provide CCCEMSA with: (a) a written plan of health status improvement and community education activities for the coming year; and (b) a summary of the prior year's health status improvement and community education accomplishments. Contractor shall require its Ambulance Subcontractor to endeavor to carry out health status improvement and community education programs in cooperation with existing healthcare and health promotion organizations, local public safety agencies, and other community organizations.
   a. Community Education Funding. Contractor shall allocate a minimum of $300,000 annually towards the goals of the community education programs identified in this section and the annual plan referenced above, $50,000 of which shall be expended on the activities set forth in subsections (c) through (e) below.
   b. Public Health Initiatives. Contractor will participate in County public health initiatives to support activities that reduce injury throughout the community and support population health.
   c. AED Program. At no cost to County, Contractor shall require its Ambulance Subcontractor to establish a program of automated external defibrillator ("AED") equipment placement, exchange and replacement supporting public access

defibrillation and first responder AED programs. The AED program shall include, but is not limited to the following components:
   i. Placement of AEDs based on identified need by CCCEMSA and Contractor;
   ii. AED pad/electrode replacement for public access defibrillators, fire, law and community AED programs;
   iii. AED and Hands Only CPR training support for sites where devices are placed, upon request; and
   iv. Maintain an ATRUS dispatch platform in Contractor's communications center to support use of AEDs of bystanders.

d. Hands Only CPR. Contractor shall train a minimum of 2,000 individuals within Contra Costa County in Hands Only CPR every year.
e. CCCEMSA Heartsafe Program. Contractor shall provide Hands Only CPR and AED training in schools in coordination with the CCCEMSA Heartsafe Program.

2. Community Outreach Coordinator. Contractor shall, or shall require its Ambulance Subcontractor to, employ a full-time community outreach coordinator whose primary responsibilities will be to work with CCCEMSA and community organizations in carrying out Contractor's health status improvement and community education program to include Physician Orders for Life Sustaining Treatment, EMS for Children and injury prevention programs and events.

3. Customer Satisfaction.
   a. No later than six months after the effective date of this Contract, Contractor shall establish, monitor, and maintain patient and family friendly processes to support patient satisfaction and complaint resolution.
   b. Contractor shall require its Ambulance Subcontractor to establish a hotline giving customers and system participants the ability to leave commendations, and suggestions for service improvements on a voice or electronic mailbox (the "Customer Hotline").
      i. Contractor shall require its Ambulance Subcontractor's supervisory or CQI leadership team to be automatically notified of incoming calls and messages to the Customer Hotline.
      ii. Contractor shall require its Ambulance Subcontractor to respond to complaints and inquiries from patients and families, regardless of how notice occurs, within twenty four (24) hours.
   c. Contractor shall establish a single point of contact or ombudsmen responsible for monitoring and improving patient satisfaction and complaint resolution.
   d. Contractor shall track, trend and report monthly on the number and characteristics of comments, incidents or complaints including timeliness and satisfaction or complaint resolution associated with billing and patient care, to include:
      i. Intake time
      ii. Type of complaint e.g. billing, patient care. other
      iii. Date resolved and disposition
      iv. Total resolution time to address
   e. No later than twelve months after the effective date of this Contract, Contractor shall establish and maintain the reporting of patient satisfaction using a validated patient experience satisfaction survey tool based on Hospital Consumer Assessment of Healthcare Providers and Systems.

4. No later than eighteen months after the effective date of this Contract, Contractor shall incorporate clinical and patient safety performance metrics into the City and community reports provided by Battalion Chiefs as a service report card to the community.
5. Contractor shall participate in health care system partnerships and activities that improve the patient experience for high risk or frequent user populations.
6. Contractor will participate with County Public Health initiatives to support activities that reduce injury throughout the community and support population health.
   a. Contractor shall require its Ambulance Subcontractor to collaborate with community, public health, CCCEMSA, and health system partners to reduce disparities and support community resiliency for high-risk populations.

M. Operational and Clinical Data Collection, Information Management and Reporting.

1. ePCR System. Contractor shall, and shall require its Ambulance Subcontractor to, utilize an electronic patient care reporting system approved by the County Contract Administrator for patient documentation on EMS System responses, which includes all patient contacts, cancelled calls, and non-transports (the "ePCR System").
   a. Contractor's ePCR System shall be National EMS Information System (NEMSIS) 3 Gold compliant.
   b. Contractor shall make the ePCR System available to any interested Contra Costa County fire first responder agency that respond within Contractor's Service Area, provided that the fire first responder agency agrees to compensate Contractor for its cost of providing access to the ePCR System.
   c. Contractor shall, and shall require its Ambulance Subcontractor to, use the ePCR System to capture and transmit ePCRs and data, and will be used by CCCEMSA to perform clinical quality oversight for medical services provided by Contractor.
   d. The ePCR System shall include the electronic sharing of data to the trauma registry, the credentialing database, data analytic/visualization tools, EMSA, Contractor's billing program, and any other appropriate database.
   e. Contractor shall reasonably cooperate with CCCEMSA to identify and implement improvements to the ePCR System that will enable the CCCEMSA Medical Director and CCCEMSA staff to review the level of patient care being provided by Contractor.
   f. Contractor shall require that an ePCR is created, completed, and transmitted to the Ambulance Subcontractor's electronic patient care system (e.g., Medserver) for every EMS response.

2. CCCEMSIS. CCCEMSIS is a multi-system, multi-disciplinary data collection and management system. CCCEMSA shall make any comprehensive data analytic tool that is implemented, available to Contractor to facilitate enhanced clinical provider analytics, including the development of clinical provider performance scorecards. CCCEMSA shall collaborate with Contractor to develop an annual fee to support CCCEMSIS, based on Contractor's total EMS response volume for the prior calendar year. This amount shall not exceed sixty (60%) of the total cost for data system management and vendor maintenance and support. All fees paid by Contractor for data system management and vendor maintenance and support shall be used for this purpose only. CCCEMSA represents that this payment shall be less than or equal to CCCEMSA's actual costs to provide CCCEMSIS and associated information systems. No funds shall be used by CCCEMSA in a manner that may violate 42 U.S.C. Section 1320a-7b, the federal Anti-Kickback Statute.

3. Dynamic Performance Monitoring. Contractor shall require its Ambulance Subcontractor to cooperate with CCCEMSA to utilize a mutually agreed upon data reporting application for the near real time evaluation of operational performance data, Response Time data, clinical data, and syndromic surveillance. The data reporting application will allow secure web-based access to CCCEMSIS. Contractor shall reasonably cooperate with CCCEMSA and the data reporting application provider to implement a dashboard, which will be a web-enabled platform that mines and presents data from a single or multiple disparate data sources for quick access to near real-time data that is critical information to enable CCCEMSA to monitor Contractor's performance and compliance with the provisions of this Contract. The data reporting application shall interface with the CCCEMSIS, Contractor's computer aided dispatch (CAD) system, and other CAD or data systems as requested by CCCEMSA.

4. Performance Reports.
   a. Monthly and Annual Performance Reports. Contractor shall provide detailed monthly and annual performance reports in a format specified by CCCEMSA. The monthly performance report shall be provided to CCCEMSA within ten (10) business days after the end of each month. The annual performance report shall be provided to CCCEMSA by the first work day in March of each year. The reports shall include, but not be limited to the following elements:
      i. Aggregated responses, transports, and Response Time performance metrics, by each response zone, and by individual city or community
      ii. Patient satisfaction metrics
      iii. Customer service metrics
      iv. Billing complaints and feedback metrics
      v. Workforce satisfaction and turnover metrics
      vi. Vehicle and equipment performance and safety metrics
      vii. Aggregate employee injury and exposure statistics
      viii. Deployment and unit hour metrics
      ix. Mental health service metrics
      x. Metrics identifying high users of 9-1-1 EMS services
      xi. Community education program metrics
      xii. Strategic plan goals/objectives for the year – completed system improvements and enhancements
      xiii. Activities and results of the CQI plan
      xiv. Additional information as may be reasonably requested by CCCEMSA with sufficient advance notice.
   b. Penalties. County may impose a penalty on Contractor in the amount set forth in Exhibit C (Penalties) for each instance in which a report was not delivered on time.

5. Focused Performance Audit Reports. Contractor shall comply with requests by CCCEMSA for data and audit reports on focused topics. These topics may include any services provided under this Contract. CCCEMSA shall provide a reasonable timeline for submission of requested focused audit reports at the time of the request.

6. Electronic Patient Care Record (ePCR); PCRs.
   a. ePCR System. Contractor shall require Transport Employees to enter electronic patient care reports (each, an "ePCR") entered in the ePCR System to be accurately

completed to include all information listed in Section 100170 of Title 22 of the California Code of Regulations, and information shall be distributed according to EMS policies and procedures adopted by CCCEMSA.

b. Interim PCRs. Contractor, Ambulance Subcontractor, and County will cooperate to identify required content and develop a procedure for Ambulance Subcontractor's delivery of Interim PCRs to hospitals, which shall be implemented and followed by Transport Employees beginning no later than July 1, 2017. Once the Interim PCR policy has been agreed upon, and in no event after July 1, 2017, Contractor shall require its Ambulance Subcontractor to leave an Interim PCR, or a completed PCR at the hospital before departing the hospital.

c. Completed ePCR Submission. Contractor shall require its Ambulance Subcontractor to submit an ePCR to the treating facility within 24 hours of patient delivery.

d. Penalties. County may impose a penalty on Contractor in the amount set forth in Exhibit C (Penalties) for each instance in which Contractor fails to comply with subsections 6(b) and 6(c) above.

N. Integration with First Responder Programs.

1. Contractor shall, and shall require its Ambulance Subcontractor to, pursue opportunities to integrate fire first-response components of the EMS System with the Emergency Ambulance Services provided under this Contract, and shall cooperate and support paramedic or Advanced EMT first response programs.

2. Contractor shall require its Ambulance Subcontractor to implement policies to facilitate scheduling time on ambulances to fulfill paramedic training, internship, and accreditation requirements for paramedics working in Contra Costa County.
   a. Contractor shall give precedence for field internships or ride-alongs to students from EMT and/or paramedic training programs based in Contra Costa County.

3. Contractor shall support the development of an integrated fire first-response program. At a minimum Contractor shall:
   a. Offer Contractor-sponsored CE programs to fire first responder personnel on a comparable basis as made available to Contractor's personnel. The fees charged to fire first responder personnel for Contractor-sponsored CE shall not exceed the fees charged to Contractor's personnel. Fire first responder personnel shall have access to enrollment in Contractor-sponsored CE on the same basis as Contractor's personnel. Contractor is not responsible for paying wages or stipends to the fire first responder personnel for participation in Contractor-sponsored CE activities.
   b. Designate from among Contractor's employees a single individual as Contractor's contact person/liaison for fire agencies within the Service Area.
   c. Establish a mechanism for first responder agencies to purchase equipment at enterprise purchasing rates.
   d. Provide pre-arranged transportation service to return firefighters who accompany an ambulance to the hospital promptly to their engine companies.

O. Disaster, Multi-Casualty and Mutual Aid Response.

1. Integration with the Regional Medical Health Operational Mutual Aid System. Contractor shall, to the best of its ability, assist in other EMS service areas both within and outside of

SERVICE PLAN Contract Number ____
(Purchase of Services - Long Form)

Contra Costa County as directed by CCCEMSA because of medical disaster, MCI, or other reason necessitated for the safety, health and welfare of the public. During response to MCIs or disasters within or affecting the County, Contractor operations shall fall under management and coordination of the MHOAC as a function of the Medical/Health Branch in support of the County Emergency Operations Plan (EOP), and the California Master Mutual Aid System. County shall compensate Contractor for Contractor's direct costs of providing services during a declared local emergency or disaster to the extent that the costs are not recoverable by Contractor from a patient or third party and to the extent that the costs are recoverable by County from the state or federal government. Contractor shall participate in disaster drills and training programs as requested by CCCEMSA.

2. Mutual Aid Outside the County. Requests for Contractor's resources for mutual aid outside of Contra Costa County shall be consistent with the California Public Health and Medical Emergency Operations Manual (EOM) as authorized by the MHOAC and the California Master Mutual Aid System. Such authorization shall not be unreasonably withheld after an assessment of the situation by the MHOAC and a determination has been made that adequate resources will remain available to meet the emergency medical and health needs of the County.

3. MCI/Disaster Response Within the County. In the event of a MCI or other local emergency within Contra Costa County, Contractor shall perform in accordance with the County MCI plan and within the Incident Command System (ICS). Contractor shall use its best efforts to maintain primary emergency services, including suspension of non-emergency services as required.
   a. Contractor shall maintain documentation of the number and nature of mutual aid responses it makes outside its Service Area and nature of mutual aid responses made by other agencies to calls originating within its Service Area.
   b. Contractor shall provide a report on mutual aid activities to CCCEMSA when requested by CCCEMSA.

4. Liaison Staff. Contractor shall require its Ambulance Subcontractor to assign a field or dispatch manager/supervisor upon CCCEMSA's request, to respond to the designated emergency operations center as a liaison, in the event the County declares a disaster within the County.

5. Suspending Non-Emergency Services. In the event County declares a disaster within the County, or directs Contractor to respond to a disaster in a neighboring jurisdiction, normal operations may be suspended at the discretion of CCCEMSA and Contractor shall respond in accordance with the disaster plan. Contractor shall use its best efforts to maintain primary emergency services and may suspend non-emergency services upon notification and concurrence with CCCEMSA.

6. Ambulance Strike Team. Contractor shall be prepared to respond one Ambulance Strike Team staffed and equipped to the EMSA Ambulance Strike Team Guidelines when directed by County in accordance with a disaster mutual aid request.

7. Disaster Response Vehicle/Equipment. Contractor shall maintain a County-controlled, state-provided Disaster Medical Support Unit. In the absence of a DMSU, Contractor shall

Initials: _____ _____
Contractor County

provide one vehicle as a disaster response vehicle. This vehicle shall not be an ambulance used in routine, day-to-day operations, but shall be kept in good working order and available for emergency response. This vehicle may be used to carry personnel and equipment to a disaster site. The following equipment shall be stored in this disaster vehicle: backboards and straps; cervical collars; head immobilization sets and foam wedges; PPE; splints for legs and arms; oxygen equipment; extra dressing and bandages; advanced life support equipment; especially IV therapy equipment; County approved disaster tags; and checklists for medical Incident Command personnel. This vehicle may be utilized as an ASTL vehicle upon written authorization of CCCEMSA. If this vehicle is utilized to support Contractor response within its Service Area, Contractor is responsible for restocking equipment and supplies utilized.

8. Continuity of Operations. No later than ninety (90) days after the effective date of this Contract, Contractor shall submit detailed written plans and procedures to CCCEMSA describing how Ambulance Subcontractor will mitigate the impacts to the Emergency Ambulance Services provided hereunder during all potential emergencies, disasters or work actions (i.e., power failure, information systems failure, earthquake), and provide continuous operations.
   a. As least annually, Contractor shall review and revise the disaster mitigation plan submitted to CCCEMSA under this Section 8, and submit the revised version to CCCEMSA.
   b. Contractor shall have an emergency electrical power system available to provide power to its critical command, control, computer and communications systems in the event the normal electrical supply is interrupted. This system must be tested periodically per NFPA 110. Testing schedule and results shall be submitted to CCCEMSA.

9. Internal Disaster Response Notification. Contractor shall implement a plan for immediate recall of personnel during multi-casualty incidents or other emergency condition. This plan shall include the capability of Contractor to alert off-duty personnel.

10. Incident Notification. Contractor shall have a mechanism in place to communicate current field information to appropriate CCCEMSA staff during multi-casualty incidents, disasters or other unusual occurrences.

11. Interagency Training for Exercises/Drills. Contractor shall participate in CCCEMSA sanctioned exercises and disaster drills and other interagency training in preparation for this type of response.

12. Ambulance Service Assistance. Contractor shall require its Ambulance Subcontractor to, to the best of its ability, assist in providing ambulance service to any other Emergency Response Areas if the County's contract with its emergency ambulance service provider for that ERA has been suspended or terminated, and if requested to do so by the County Contract Administrator.

P. Service Rates, Financial Management and Reporting.

SERVICE PLAN Contract Number ____
(Purchase of Services - Long Form)

1. Service Rates. Contractor shall comply with the Service Rate Schedule set forth on Exhibit D (Service Rate Schedule) attached hereto. Contractor shall not discount its rates or seek to collect a rate greater or less than the rates set forth in Exhibit D (Service Rate Schedule), except where required by law, or as otherwise specifically stated in this Contract. Contractor shall bill patients at the rates set forth on Exhibit D (Service Rate Schedule) except where prohibited by law (e.g., Medicare or Medicaid), or unless otherwise specifically stated in this Contract. This shall not preclude Contractor from accepting payments that are less than invoiced on a case-by-case basis for hardship or dispute resolution.

2. Service Rate Adjustments.
   a. Regular Rate Increases. When requested by Contractor, the County Contract Administrator shall approve annual increases to the rates set forth in Exhibit D (Service Rate Schedule) based on changes in the Consumer Price Index, All Urban Consumers for Medical Care (U.S. city average) (1982-84=100) ("CPI"). The annual rate increases will be the greater of three (3) percent, or the increase in the CPI for the subject calendar year.
   b. Changed Circumstances Rate Increases. In the event changed circumstances impact Contractor's costs of providing services under this Contract, or there are reductions in revenue caused by factors that are beyond the control of Contractor, Contractor may request increases or decreases in the service charges set forth on Service Rate Schedule set forth on Exhibit D (Service Rate Schedule) to mitigate the financial impact of such changed circumstances. No adjustments to service charges will be allowed during the first twelve (12) months after the effective date of this Contract. If Contractor believes an adjustment is warranted, Contractor may apply to the County Contract Administrator for a rate adjustment to be effective on or after the first anniversary of this Contract. Applications must be submitted at least sixty (60) days prior to the requested effective date. Requests for changes to service charges shall only be allowed once each calendar year following the first year of this Contract. The County Contract Administrator shall review the application and forward his or her recommendation to the Health Services Director, who shall have the authority to approve or disapprove the request. CCCEMSA's approval of rate changes is required before they can become effective.
   c. CCCEMSA Audit. County shall have the right to review and/or audit any books, medical billing accounts, medical records, productivity reports or financial or operational records of Contractor as it deems necessary to verify such requests.

3. Expendable Supplies. The County Contract Administrator may approve charges for expendable supplies when said supplies are newly required by EMS pre-hospital protocols adopted during the term of this Contract or when the County Contract Administrator approves new items to be stocked on ambulances. The increase in patient charges shall be based upon the cost of the new items adjusted for the collection rate then recognized by Contractor in order to ensure full cost recovery.

4. Audits/Inspections. Contractor will provide County quarterly unaudited financial statements for its services provided pursuant to this Contract. These reports shall be provided in a format prescribed by CCCEMSA.

Initials: _____ _____
Contractor County

a. Contractor shall maintain separate financial records for EMS services provided pursuant to this Contract in accordance with generally accepted accounting principles.
b. With reasonable notification and during normal business hours, County shall have the right to review any and all business records including financial records of Contractor pertaining to this Contract. All records shall be made available to County at their Contra Costa County office or other mutually agreeable location. The County may audit, copy, make transcripts, or otherwise reproduce such records, including but not limited to contracts, payroll, inventory, personnel and other records, daily logs, and employment agreements.
c. Annual Financial Audit - Contractor will promptly provide annual financial statements in a format approved by County that have been audited by an independent Certified Public Accountant in accordance with generally accepted auditing standards. Statements shall be available within no more than one hundred twenty (120) calendar days after the close of each fiscal year. If Contractor's financial statements are prepared on a consolidated basis, then separately audited financial statements specifically related to the Contra Costa County operation will be required.
d. Contractor will provide any information separately requested by the County Auditor-Controller's Office and allow full access to its financial records by the County Auditor-Controller's Office for the period covered by this Contract.

5. No Field Collections. Neither Contractor nor its Ambulance Subcontractor shall make any attempts to collect its fees at the time of service.

6. Billing/Collection Services. Contractor shall maintain a business office within Contra Costa County and a local or toll-free telephone number for all patient questions, complaints, or disputes made from locations within the County. Contractor shall provide prompt response to any queries or appeals from patients.
   a. Contractor shall describe its methods for receiving, monitoring and responding to patient issues and complaints.
   b. Contractor shall describe its policies for identifying patients that qualify for a financial hardship consideration for discounting or writing off their accounts.
   c. Contractor shall provide an informational brochure or equivalent in each bill describing the process for hardship consideration.

7. Financial Hardship Review Process. Contractor shall establish a process to reduce the costs of ambulance services to patients who have demonstrated inability to pay through completing a financial statement form. All information relating to financial hardship requests shall be kept confidential. The billing manager will review the form and assess an appropriate and acceptable monthly arrangement.

8. Billing Appeals Process. Contractor will create a consumer friendly appeals process in cooperation with Contra Costa Health Insurance Counseling and Advocacy Program (HICAP) that allows the consumer sufficient time for denied claims to go through governmental and private insurers appeals timeframes before being sent to collections. Contractor will, on a monthly basis, document the number of billing waivers, appeals in process and average time to process appeals.

9. Billing/Accounts Receivable System. Contractor shall operate a billing and accounts receivable system that is well documented, easy to audit, and which minimizes the effort required of patients to recover from third party sources for which they may be eligible. The billing system shall:
   a. electronically generate and submit Medicare and MediCal claims;
   b. itemize all procedures and supplies employed on patient bills; and
   c. be capable of responding to patient and third party payer inquiries regarding submission of insurance claims, dates and types of payments made, itemized charges, and other inquiries.

10. First Responder Billing. Contractor shall provide billing services to fire jurisdictions providing fire first responder services if requested by the fire jurisdiction, provided that the fire jurisdiction compensates Contractor for its cost of providing the billing services.

11. Financial Reporting. Contractor will report trends in monthly net revenue, total expenses, number of deployed unit hours, cost per unit hour, number of transports, collection rate, average patient charge by payer mix, average patient reimbursement by payer mix, net revenue/transport, cost/trip, amount of uncompensated care provided and payer mix on a monthly basis.

12. Periodic Reporting. Contractor may be required by County to provide County with periodic report(s) in the format approved by the County Contract Administrator to demonstrate billing compliance with approved/specified rates.

13. Contract Administration; Dispute Resolution Process.
   a. Collaboration Committee Meetings. At least once a month, staff of Contractor, CCCEMSA, and the Ambulance Subcontractor, whose attendance are necessary and appropriate, shall meet to discuss issues arising under this Contract. The purpose of the Collaboration Committee meetings is to provide a forum for formal discussion and resolution of issues arising in the performance and administration of this Contract.
   b. Dispute Resolution Process. Except as provided in Section H(13) above with respect to penalty appeal disputes, and without limiting the parties rights under Special Condition 32 (Event of Default) of this Contract, the parties agree to resolve any disputes arising under this Contract as set forth in this section.
      i. Collaboration Committee. The Collaboration Committee will discuss relevant issues and make a good faith attempt to resolve them.
      ii. Agency Heads. If the Collaboration Committee is unable to resolve an issue, the agency head of the party seeking resolution of an issue arising under this Contract shall contact the other party's agency head (i.e., Contractor's Fire Chief, or CCCEMSA's Director) in an attempt to resolve the issue.
      iii. Health Services Director. If the issue is not resolved by the agency heads, the party initially raising the issue shall provide the Health Services Director with a written description of the dispute, copying the County Administrator. No later than twenty (20) days after the Health Services Director has received the written description of the dispute, he or she shall provide the parties with a written decision regarding the dispute.

Q. Administrative.

SERVICE PLAN Contract Number ____
(Purchase of Services - Long Form)

1. Federal Healthcare Program Compliance Provisions. Contractor shall comply with all applicable Federal laws, rules and regulations for operation of its enterprise, ambulance services, and those associated with employees. This includes compliance with all laws and regulations relating to the provision of services to be reimbursed by Medicare, Medicaid, and other government funded programs.

2. Medicare and Medicaid Compliance Program Requirements. Contractor shall implement a comprehensive Compliance Program for all activities, particularly those related to documentation, claims processing, billing and collection processes. Contractor's Compliance Program shall substantially comply with the current guidelines and recommendations outlined in the Office of Inspector General (OIG) Compliance Program Guidance for Ambulance Suppliers as published in the Federal Register on March 24, 2003 (03 FR 14255).

3. Annual Medicare Claims Review. Contractor shall engage a qualified entity to conduct a claims review on an annual basis as described in the OIG Compliance Guidance. A minimum of 50 randomly selected Medicare claims will be reviewed for compliance with CMS rules and regulations, appropriate documentation, medical necessity, and level of service. Contractor shall submit the report to CCCEMSA no later than 120 days after the end of each calendar year during the term of this Contract.

4. HIPAA, CAL HIPAA and HITECH Compliance Program Requirements. Contractor is required to implement a comprehensive plan and develop the appropriate policies and procedures to comply with the provisions of the Health Insurance Portability and Accountability Act of 1996 and the current rules and regulations enacted by the US Department of Health and Human Services, including:
   a. Standards for Privacy and Individually Identifiable Health Information
   b. Health Insurance Reform: Security Standards
   c. Health Insurance Reform: Standards for Electronic Transaction Sets and Code Standards

5. HIPAA, CAL HIPAA and HITECH violations. Any violations of the HIPAA, CAL HIPAA and HITECH rules and regulations will be reported immediately to CCCEMSA along with Contractor's actions to mitigate the effect of such violations.

6. State Compliance Provisions. Contractor shall, and shall require its Ambulance Subcontractor to, comply with all applicable state and local laws, rules and regulations for businesses, ambulance services, and all applicable laws governing its employees. Contractor shall also comply with county and CCCEMSA policies, procedures, and protocols with regard to the services described in this Contract.

7. Performance Oversight and Monitoring. CCCEMSA shall continuously review, inspect and monitor all aspects of Contractor's operations and performance necessary to ensure all services provided by Contractor to County residents and visitors meet the requirements stated in this Contract, the EMS Plan, CCCEMSA programs, policies, protocols, and procedures and as required by law. Contractor shall reasonably cooperate with CCCEMSA to fulfill this function, including providing access to all records, facilities and

Initials: _____ _____
Contractor County

personnel as reasonably requested by CCCEMSA. Contractor shall provide monitoring tools and technology to allow CCCEMSA to monitor Contractor's performance under this Contract

8. Observation of Operations. Contractor acknowledges that CCCEMSA is authorized to investigate all aspects of Contractor's operation so that patient care services under Contractor's operation are performed in a safe and reliable manner. CCCEMSA personnel may and will at any time directly observe Contractor operations including ride-a longs (in accordance with Contractor policies and applicable laws, e.g., HIPAA) with field supervisors and ambulance crews. Contractor agrees to grant access to CCCEMSA personnel for announced or unannounced observation, inspection, audit or review of any operational, clinical or support function, including but not limited to records, facilities, equipment, vehicles and personnel. During any inspection, audit or review, Contractor shall make requested records pertaining to any service rendered under this Contract available to CCCEMSA personnel. CCCEMSA personnel shall conduct themselves in a professional and courteous manner, shall not interfere with Contractor's employees in the performance of their duties, and shall at all times be respectful of Contractor's employer/employee relationships. CCCEMSA shall provide written feedback and results of any inspection, audit or review performed within ten (10) business days after completion.

9. Approval of Contractor Subcontracts, Plans, Programs, Policies, Protocols and Procedures. All plans, programs, policies, protocols and procedures that require CCCEMSA's approval by law or CCCEMSA policy, and any Contractor subcontracts for the performance of services under this Contract, shall be submitted to CCCEMSA for approval prior to their implementation.

10. Contractor Obligation to Notify County. Contractor shall report to CCCEMSA in writing as soon as practicable any instance where it did not meet, or has reason to believe it may not be able meet, a material requirement stated in this Contract. Upon its receipt of a notice of a failure to perform or an anticipated failure to perform under this Contract, CCCEMSA shall perform a review and work with Contractor to develop the appropriate corrective action plan to be implemented by Contractor.

11. Annual Performance Evaluation.
    a. CCCEMSA shall evaluate the performance of Contractor at least annually to determine compliance with this Contract. The following minimum information may be included in the evaluation:
        i. Response Time performance standards assessed with reference to the minimum requirements in the Contract;
        ii. Clinical performance standards assessed with reference to the minimum requirements in the Contract;
        iii. Initiation of innovative programs to improve system performance;
        iv. Workforce stability, including documented efforts to minimize employee turnover;
        v. Compliance of pricing and revenue recovery efforts with rules and regulations and this Contract;
        vi. Compliance with information reporting requirements; and
        vii. Financial stability and sustainability.

b. CCCEMSA and Contractor will jointly present an annual report to the Contra Costa County Board of Supervisors describing the Emergency Ambulance Services provided under this Contract during the subject year.

12. Invoicing and Payment for Services. CCCEMSA shall invoice Contractor for any fines or penalties within 30 business days after CCCEMSA's receipt of Contractor's monthly performance reports and after approval of the penalties determined by CCCEMSA. Contractor shall pay CCCEMSA all penalties and fines no later than forty-five (45) days after receipt of an invoice. For any disputes that have not been resolved to CCCEMSA or Contractor's satisfaction, the invoice shall be paid in full and subsequent invoices will be adjusted if necessary to reflect the resolution of disputed amounts.

13. Ambulance Service Permit. Contractor shall require its Ambulance Subcontractor to comply with the County ambulance permitting process pursuant to Division 48 of the County Ordinance Code and CCCEMSA policies.

14. Sharing of Information. Contractor shall not discourage or prevent its employees or agents from sharing information with CCCEMSA or appropriate County personnel concerning the County's EMS System, including issues related to Contractor's operations.

15. Notice of Labor Action. Contractor shall notify County of any threatened labor action or strike that would adversely affect its performance under this Contract. At the time of said notice, Contractor shall provide County and other affected public entities with a written plan of proposed action to deliver continued service delivery as stated in this Contract in the event of any threatened work force action or strike.

16. Cooperation With Evolving System. Contractor agrees to participate and assist in the development of system changes subject to negotiated costs, if any.

17. Earned Contract Extension. Notwithstanding Section 22 (Nonrenewal) of the General Conditions of this Contract, the County Contract Administrator shall report to the Board of Supervisors on or before December 31, 2020, on Contractor's compliance with the terms of this Contract and the Board of Supervisors shall issue a finding as to Contractor's compliance with the terms of this Contract. Notwithstanding Paragraph 3 (Term) of this Contract, unless this Contract is terminated by either party pursuant to its terms, or by mutual agreement prior to December 31, 2020, upon a finding by the Board of Supervisors that Contractor has been in substantial compliance with all terms of this Contract, the term of this Contract shall be extended to December 31, 2025. During its extended term, this Contract is nevertheless subject to all the terms and conditions applicable during its initial term. If this Contract is automatically extended, Contractor shall continue to provide services as set forth in this Contract, subject to any amendments hereto.

18. No Advertising. Contractor shall require its Ambulance Subcontractor, in the course of providing services pursuant to this Contract, to refrain from advertising, promoting, or endorsing any other service or product provided by Contractor or any other firm, unless Contractor has obtained the prior written approval of CCCEMSA.

R. Workforce Engagement and Benefits.

1. Workforce Engagement. Contractor shall require its Ambulance Subcontractor to adopt programs and key performance indicators to engage its workforce, which shall include, but not be limited to, assessing and evaluating the satisfaction of its employees on a regular basis and developing measures to improve employee satisfaction. Examples of workforce engagement programs that should be adopted by Contractor's Ambulance Subcontractor include, but are not limited to:
   a. Annual employee reviews
   b. Labor/Management Meetings
   c. System Status Meetings/Deployment Improvement
   d. Health and Safety Committee
   e. Certification/Credentialing Support
   f. Competitive Wage and Benefit Package
   g. Employee Assistance Program (EAP).
   h. Allied/ Interoperability Agency Training
   i. Career Development
   j. Critical Incident Stress Management
   k. EMS Committee
   l. Field Employee Recognition Program
   m. Field/Base Communication Review
   n. Professional Growth Opportunities/Training
   o. Continued Education Opportunities
   p. PEERS Pre Hospital Education and Evaluation Readiness Solutions Program
   q. Newsletter
   r. Healthcare charitable foundation program
   s. Workforce harmony

S. Risk Management Program.

1. Illness and Injury Prevention. Contractor shall require its Ambulance Subcontractor to develop, implement, and maintain a comprehensive illness and injury prevention policy manual that includes an injury and illness prevention program, an infection control program, and a risk management program.

2. Incident Reporting, Investigation, and Corrective Actions
   a. Contractor shall develop, implement, and maintain a program for incident reporting, investigation, and corrective action that effectively addresses each incident recognized or reported.
      i. Incident Review - This performance improvement program shall include guidelines and processes to retrospectively review incidents and outline how risks for workplace safety for employees and patients can be improved.
      ii. Investigation and Documentation – This program shall establish strict incident reporting standards that allow Contractor to respond immediately to adverse events, initiate a thorough and unbiased investigation, implement mitigation measures, and carry out corrective action in a timely manner. The program shall utilize an electronic safety reporting system that provides daily, monthly, and annual tracking of collisions and worker's compensation claims. All information shall be made available to CCCEMSA upon request.

SERVICE PLAN Contract Number ____
(Purchase of Services - Long Form)

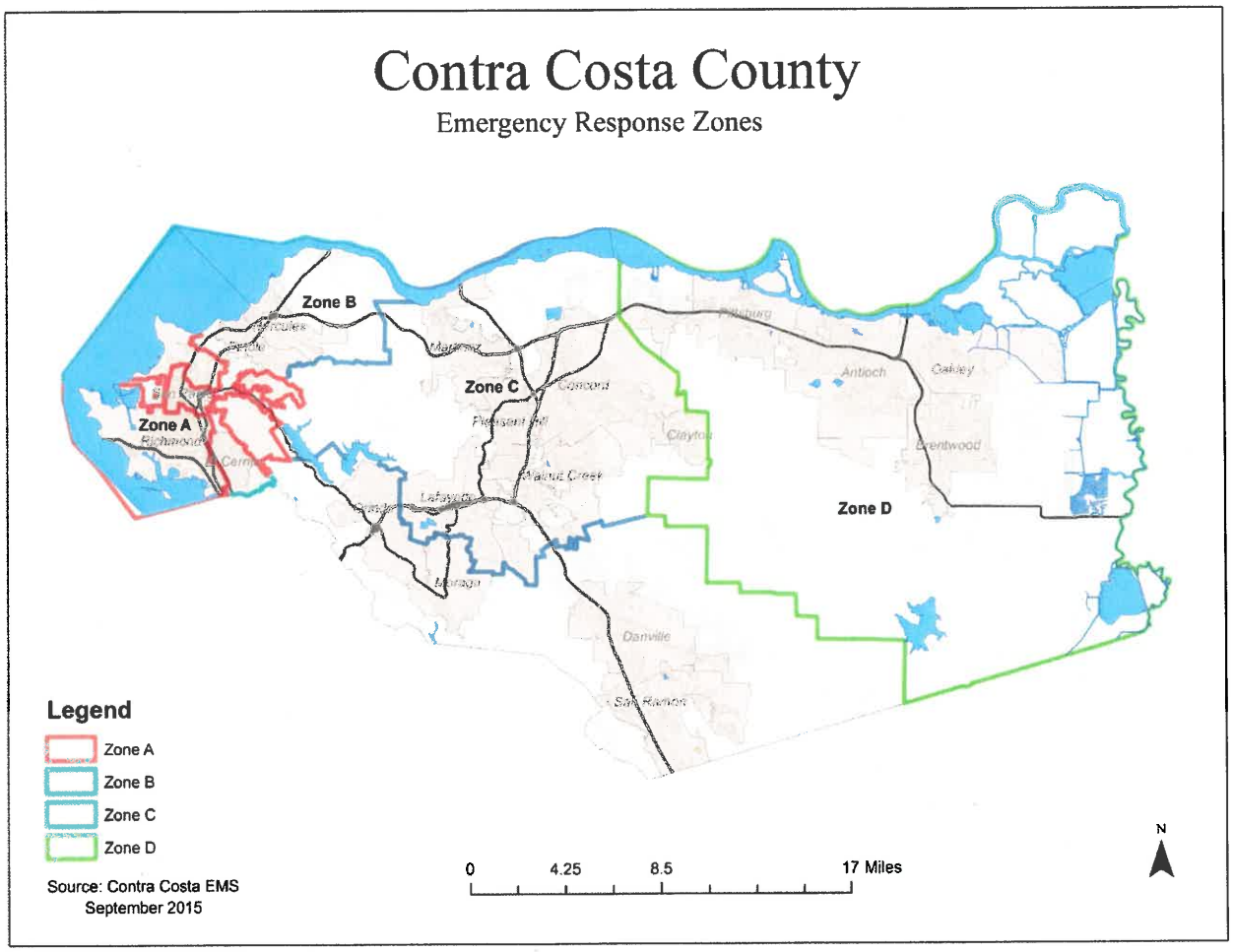
3. Ethics and Compliance Program
   a. Contractor shall require its Ambulance Subcontractor to develop, implement, and maintain a program that focuses on employee education and Contractor's compliance with all federal, state, and local payor regulations. The program must track changes in federal laws and regulations, as well as government enforcement affecting Contractor and Contractor's customers, ensuring Contractor is always in full compliance with all laws and regulations. The program shall, at a minimum, meet the guidance issued by the Office of Inspector General.

SERVICE PLAN
(Purchase of Services - Long Form)

Contract Number _____

Exhibit A

Emergency Response Zones Map



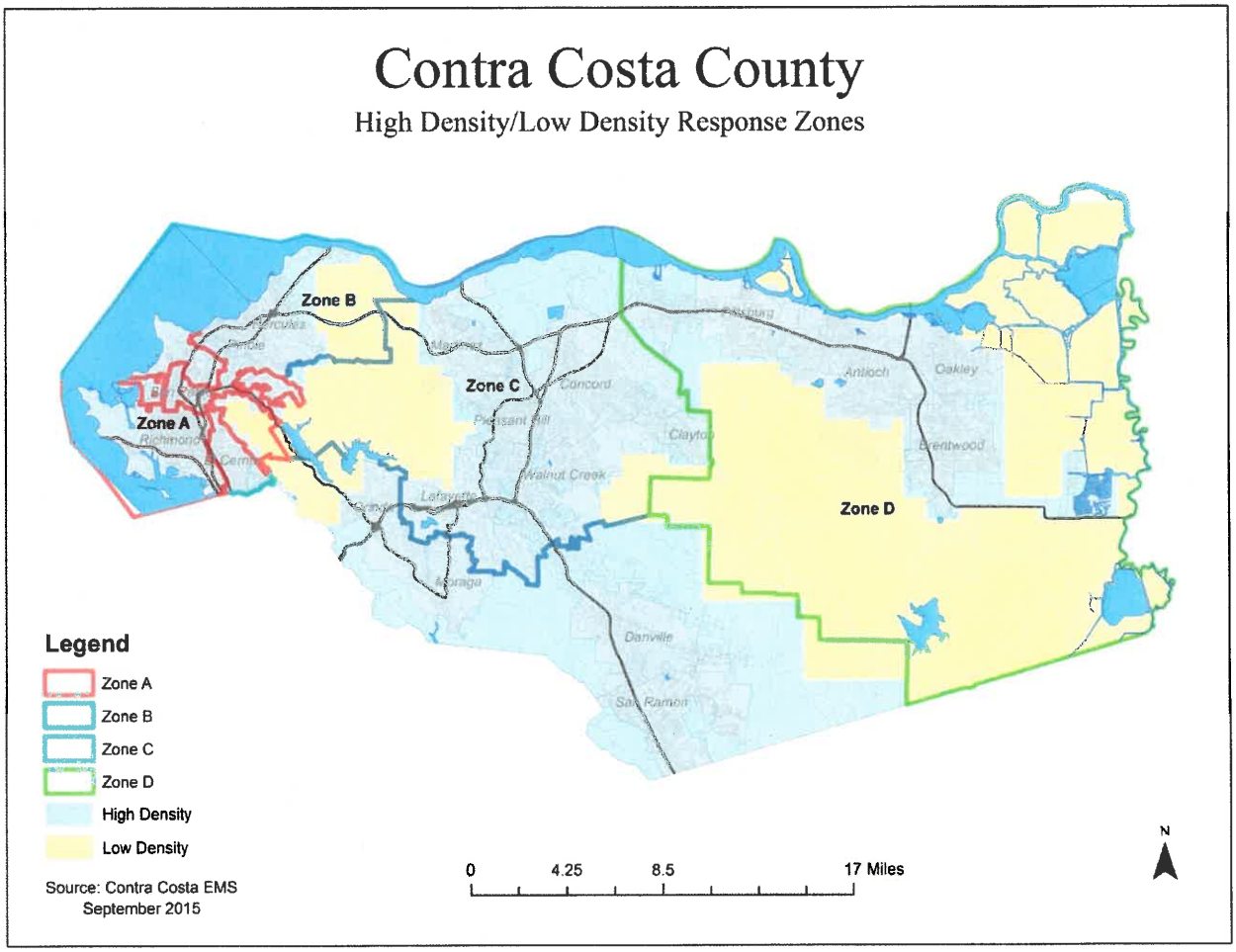
Initials: _____ _____
Contractor County

SERVICE PLAN
(Purchase of Services - Long Form)

Contract Number _____

Exhibit B

Response Density Map



SERVICE PLAN Contract Number ____
(Purchase of Services - Long Form)

Exhibit C
Penalties

I. Response Time Penalties

Emergency Ambulance Requests - Priority 1 Responses for each ERZ

Compliance %	Penalty
89% < 90%	$15,000
88% < 89%	$25,000
< 88%	$50,000

Emergency Ambulance Requests - Priority 2 Responses for each of the ERZ

Compliance %	Penalty
89% < 90%	$5,000
88% < 89%	$10,000
< 88%	$15,000

Emergency Ambulance Requests - Priority 3 Responses for each of the ERZ

Compliance %	Penalty
89% < 90%	$2,500
88% < 89%	$5,000
< 88%	$7,500

Non-Emergency ALS Interfacility Transports - Priority 4 Responses for entire Service Area

Compliance %	Penalty
89% < 90%	$4,000
88% < 89%	$6,000
< 88%	$7,500

Outlier Response Time Penalties

riority Level	Outlier Response Times		enalty per Outlier
	High Density Call	Low Density Call	
Priority 1	>18:59	>29:59	$1,500
Priority 2	>22:59	>44:59	$1,000
Priority 3	>39:59	>59:59	$750

Initials: _____ _____
Contractor County

Priority 4	>29:59 late for scheduled >89:59 for non-scheduled		$500

II. Other Penalties.

Performance	Section Reference	Penalty
Provide timely Response Time reports and operational reports	Section H(10)(c) - Operational and Response Time reports; Section M(4) – Monthly and Annual	$50 per report for each day after due date
Leave Interim PCR at hospital Submit completed ePCR within 24 hours of patient delivery	Section M(6)(b) – Interim PCR delivery Section M(6)(c) – ePCR submission within 24 hours	$50 for every instance when the Interim PCR is not left at the receiving facility prior to crew departure. (No later than July 1, 2017, See Section M(6)) A penalty of $100 for every completed ePCR not provided to the facility within 24 hours of patient delivery.
Response and transport by a BLS unit when the Priority level calls for the patient to be transported by an ALS unit	Sections D(1)(c), and D(1)(e)(iii)	$1,000 for each incident
Failure to provide timely quality improvement data and reports	Sections E(5), and E(12)	$50 per report or data submission for each day after due date
Failure to provide timely unusual occurrence reports and investigation updates	Section E(5)(b); Section I(7)	$100 per report for each day after the date the particular report was due
Failure to respond to an emergency request for an Emergency Ambulance	Section D(1)(c)	$10,000 for each failure to respond to an Emergency Ambulance request.

SERVICE PLAN Contract Number _____
(Purchase of Services - Long Form)

Improper Paramedic or EMT certification	Section I(10) (Paramedic); Section I(11) (EMT)	$250 per call responded to by improperly certified Paramedic or EMT
Failure to document Against Medical Advice (AMA)	Section D(19)	$500 for a Transport Employee's failure to document Against Medical Advice (AMA)
Dispatched Emergency Ambulance crew fails to report and document Arrival On Scene Time	Sections H(6)(d), and H(10)(d)	$250 per incident
Ambulance fails to meet the minimum in-service requirements	Section J(5)	$500 per Ambulance

Initials: _____ _____
Contractor County

SERVICE PLAN Contract Number ____
(Purchase of Services - Long Form)

Exhibit D

Contra Costa County
Service Rate Schedule

For each Ambulance responding to a call, Contractor shall charge the patient the Emergency Ambulance Response Base Rate, plus mileage costs at the Mileage Rate. If oxygen is administered to a patient, Contractor shall charge the patient the Oxygen Administration Charge, whether transported or not. If a patient is treated and refuses transport, Contractor will charge the patient the Treat and Refused Transport rate.

1. Emergency Ambulance Response Base Rate $2,100.00
2. Mileage Rate (for each mile traveled with a loaded patient) $50.00
3. Oxygen Administration Charge $175.00
4. Treat and Refused Transport $450.00

Initials: _____ _____
Contractor County

Contra Costa County
Standard Form L-4
Revised 2014

Number:

SPECIAL CONDITIONS

The parties to this Contract agree that the following Special Conditions modify the General Conditions (Form L-5) of the Contract and are part of this Contract.

1. Records. Section 3(a) (Retention of Records) of the General Conditions is hereby deleted in its entirety and replaced by the following:

"a. Retention of Records. Contractor must retain all documents pertaining to this Contract for five years from the end of the last year in which this Contract was in effect; for any further period that is required by law; and until all federal/state audits are complete and exceptions resolved for this Contract's funding period. Upon request, Contractor must make these records available to authorized representatives of the County, the State of California, and the United States Government

2. Termination. Section 5 (Termination) of the General Conditions is hereby deleted in its entirety and replaced by the following:

"5. Termination.

a. Written Notice. Either party may, at its sole discretion, terminate this Contract without cause by giving the other party twelve (12) months advance written notice of its intent to terminate this Contract. This Contract may be cancelled immediately by written mutual consent.

b. Event of Default. If a party has committed an Event of Default (as defined in Special Condition 32 (Event of Default) below), the non-Defaulting party may, upon written notice to the Defaulting party, terminate this Contract. If County terminates this Contract based on an Event of Default, it may proceed with the work in any reasonable manner it chooses. The cost to the County of completing Contractor's performance shall be deducted from any sum due the Contractor under this Contract, without prejudice to the County's rights otherwise to recover its damages."

3. Modifications and Amendments. Section 8(b) (Minor Amendments) of the General Conditions is hereby deleted in its entirety and replaced with "[Reserved.]"

4. Disputes. Section 9 (Disputes) of the General Conditions is hereby deleted in its entirety and replaced with "[Reserved.]"

5. Assignment. Section 13 (Assignment) of the General Conditions is hereby amended by adding the following sentence to the end of the Section:

"Notwithstanding the foregoing, County hereby consents to Contractor using (a)

SPECIAL CONDITIONS

American Medical Response West, a California corporation, as its emergency ambulance services subcontractor, and (b) Advanced Data Processing, Inc., a Delaware corporation, as its emergency ambulance services billing subcontractor."

6. Insurance. Section 19 (Insurance) of the General Conditions is hereby deleted in its entirety and replaced by the following:

"19. Insurance.

a. Contractor Insurance. During the entire term of this Contract and any extension or modification hereof, Contractor shall maintain (i) workers' compensation or self-insurance coverage, covering its personnel while they are performing services under this Contract, and (ii) liability insurance or self-insurance coverage, covering the general liability of the Contractor in amounts appropriate for the services it provides and satisfactory to Contractor. Contractor will provide County with satisfactory evidence of the coverages required by subsections (i) and (ii).

b. Subcontractor Insurance. During the entire term of this Contract and any extension or modification hereof, Contractor shall cause its subcontractors to keep in effect insurance policies meeting the following insurance requirements:

i. Ambulance Subcontractor Liability Insurance. Contractor shall cause its Ambulance Subcontractor (as defined in the Service Plan) to keep in effect malpractice insurance and commercial general liability insurance, including coverage for business losses, and for owned and non-owned vehicles, each with a minimum combined single limit coverage of $11,000,000 for all damages, including consequential damages, due to bodily injury, sickness or disease, or death to any person or damage to or destruction of property, including the loss of use thereof, arising from each occurrence. Such insurance shall be endorsed to include Contra Costa County and its officers and employees as additional named insureds as to all services performed by the Ambulance Subcontractor under its subcontract with Contractor. Said policies shall constitute primary insurance as to County, the state and federal governments, and their officers, agents, and employees, so that other insurance policies held by them or their self-insurance programs shall not be required to contribute to any loss covered under the Ambulance Subcontractor's insurance policy or policies. Contractor shall provide County with a copy of the endorsement making the County an additional insured on Ambulance

SPECIAL CONDITIONS

Subcontractor's commercial general liability policies as required herein no later than the effective date of this Contract.

ii. Other Subcontractors Liability Insurance. Contractor shall cause all of its subcontractors, other than its Ambulance Subcontractor (as defined in the Service Plan), providing services in connection with this Contract to keep in effect commercial general liability insurance, including coverage for business losses, and for owned and non-owned vehicles, with a minimum combined single limit coverage of $1,000,000 for all damages, including consequential damages, due to bodily injury, sickness or disease, or death to any person or damage to or destruction of property, including the loss of use thereof, arising from each occurrence. Such insurance shall be endorsed to include Contra Costa County and its officers and employees as additional named insureds as to all services performed by the subcontractor under its subcontract with Contractor. Said policies shall constitute primary insurance as to County, the state and federal governments, and their officers, agents, and employees, so that other insurance policies held by them or their self-insurance programs shall not be required to contribute to any loss covered under the subcontractor's insurance policy or policies. Contractor shall provide County with a copy of the endorsement making the County an additional insured on each subcontractor's commercial general liability policies as required herein no later than the effective date of this Contract.

iii. Workers' Compensation. Contractor shall cause all of its subcontractors performing services in connection with this Contract to provide workers' compensation insurance coverage for their respective employees.

iv. Certificates of Insurance. Contractor shall provide County with certificates of insurance evidencing its subcontractor's liability, medical malpractice (if applicable), and worker's compensation insurance as required herein no later than the effective date of this Contract. If any of Contractor's subcontractor's providing services in connection with this Contract renew an insurance policy or acquire either a new insurance policy or amend the coverage afforded through an endorsement to the policy at any time during the term of this Contract, then Contractor shall provide County with a current certificate of insurance evidencing such renewal, new policy, or amendment.

c. Additional Insurance Provisions. No later than five days after any of Contractor's subcontractors receive: (i) a notice of cancellation, a notice of an intention to cancel, or a notice of a lapse in the subcontractor's insurance coverage required by this Contract; or (ii) a notice of a material change to the subcontractor's insurance coverage required by this Contract, Contractor will provide County a copy of such notice of cancellation, notice of intention to cancel, notice of lapse of coverage, or notice of material change. Contractor's failure to provide County the notice as required by the preceding sentence is a default under this Contract."

7. Nonrenewal. Section 22 (Nonrenewal) of the General Conditions is hereby amended by adding the following paragraphs to the end of the Section:

"Competitive Bid Required. Contractor acknowledges that County intends to conduct a competitive procurement process for the provision of emergency ambulance services within the Service Area (as defined in the Service Plan) following the expiration or termination of this Contract. Contractor acknowledges and agrees that County may select a different ambulance service provider to provide exclusive emergency ambulance services within all or some of the Service Area following the competitive procurement process.

Future Bid Cycles. Contractor acknowledges and agrees that its Ambulance Subcontractor (as defined in the Service Plan) supervisory personnel, EMT's, paramedics, and control center personnel working in the EMS System have a reasonable expectation of long-term employment in the EMS System, even though private party providers of EMS System services may change from time to time. Accordingly, Contractor shall not, and shall not permit its Ambulance Subcontractor to, penalize or bring personal hardship to bear upon any of its employees who apply for work on a contingent basis with competing bidders, and shall allow without penalty its employees to sign contingent employment agreements with competing bidders at employees' discretion. Contractor may, however, prohibit its employees from assisting competing bidders in preparing their bid proposals by revealing Contractor's trade secrets or other information about Contractor's business practices or field operations."

8. Additional Special Conditions. The following new sections are hereby added to the General Conditions immediately following Section 29 (No Implied Waiver) thereof as follows:

"30. Emergency Takeover.

a. Public Health and Safety Risk Determination. If the County Contract Administrator (as defined in the Service Plan) has a reasonable belief that Contractor's failure to perform its obligations under this Contract, or that a labor dispute will prevent Contractor from performing its obligations under this

SPECIAL CONDITIONS

Contract, and that such failure to perform will endanger public health and safety, and after Contractor has been given notice and reasonable opportunity to correct the failure of performance, the County Contract Administrator shall present the matter to the County Board of Supervisors. If the Board of Supervisors finds that Contractor's failure to perform its obligations under this Contract will endanger public health and safety, and that permitting Contractor to continue providing services under this Agreement will endanger public health and safety, Contractor shall, and shall cause its Ambulance Subcontractor to, cooperate with County to effect an immediate emergency takeover by County of Contractor's Ambulance Subcontractor's ambulances and crew stations (an "Emergency Takeover"). The Emergency Takeover shall be completed within 72 hours after action by the Board of Supervisors.

b. Delivery of Equipment. In the event of an Emergency Takeover, Contractor shall cause its Ambulance Subcontractor to deliver to County the ambulances and associated equipment used in the Emergency Ambulance Services pursuant to this Contract, including supervisors' vehicles. Each ambulance shall be equipped, at a minimum, with the equipment and supplies necessary for the operation of an ALS Ambulance in accordance with Contra Costa County ALS Policies and Procedures. Equipment shall include the supplies at the minimum stocking levels for an ALS Ambulance.

c. Lessor / Lessee Relationship.
   i. Contractor shall cause its Ambulance Subcontractor to deliver all ambulances, crew stations, and other facilities located in Contra Costa County and used pursuant to this Contract for storage or maintenance of vehicles, equipment, or supplies to the County in mitigation of any damages to the County. However, during the County's takeover of the ambulances, equipment, and facilities, County and Contractor shall be considered a sublessee and sublessor, respectively, and Contractor and its Ambulance Subcontractor shall be considered lessee and lessor, respectively pursuant to the subcontract between Contractor and its Ambulance Subcontractor. Monthly rent payable to Contractor shall be equal to the aggregate monthly amount of Contractor's Ambulance Subcontractor's debt service on the vehicles and equipment and occupancy charges as documented by Contractor and as verified by the County Auditor. The County Auditor shall disburse these payments directly to the Contractor's Ambulance Subcontractor's obligee. In the event an ambulance is unencumbered, or a crew station is not being rented, the County shall pay Contractor the fair market rental value for the ambulance or crew station.

   ii. All of Contractor's Ambulance Subcontractor's vehicles and related equipment necessary for the provision of Emergency Ambulance Services

pursuant to this Contract are hereby subleased to the County during an Emergency Takeover period. Contractor shall maintain and provide to County a listing of all vehicles used in the performance of this Contract, including reserve vehicles, their license numbers, and the name and address of the lienholder, if any. Changes in lienholder, as well as the transfer, sale, or purchase of vehicles used to provide Emergency Ambulance Services hereunder shall be reported to the County within thirty (30) days of said change, sale, transfer and purchase. Contractor shall inform and provide a copy of the takeover provisions contained herein to the lienholders within five (5) days of an Emergency Takeover.

d. Recovery of Damages. Nothing herein shall preclude County from pursuing recovery from Contractor of rental and debt service payments made pursuant to subsection (c) above. Contractor shall not be precluded from disputing the Board's findings and the nature and amount of County's alleged damages. However, failure on the part of Contractor to cooperate fully with the County to effectuate a safe and smooth Emergency Takeover shall itself constitute a breach of this Contract, even if it is later determined that the original declaration of breach by the Board of Supervisors was made in error.

e. Contractor Indemnity. County shall indemnify, hold harmless, and defend Contractor against any and all claims arising out of the County's use, care, custody, and control of the stations, equipment and vehicles, including but not limited to, equipment defects, defects in material and workmanship, and negligent use of the vehicles and equipment during an emergency takeover. County shall have the right to authorize the use of the vehicles and equipment by another company. Should County require a substitute contractor to obtain insurance on the equipment, or should the County choose to obtain insurance on the vehicles and equipment, Contractor shall be a named additional insured on the policy, along with appropriate endorsements and cancellation notice.

f. Return of Equipment. County agrees to return all Contractor vehicles and equipment to Contractor's Ambulance Subcontractor in good working order, normal wear and tear excepted, at the end of the Emergency Takeover period. For any of equipment not so returned, County shall pay Contractor the fair market value of the vehicle and equipment at the time of takeover, less normal wear and tear, or shall pay Contractor the reasonable costs of repair, or shall repair and return the vehicles and equipment.

g. Length of Emergency Takeover Period. County may unilaterally terminate the Emergency Takeover period at any time, and return the facilities and equipment to Contractor. The Emergency Takeover period shall last, in the County's judgment, no longer than is necessary to stabilize the EMS System and to

SPECIAL CONDITIONS

protect the public health and safety by whatever reasonable means the County chooses.

31. End Term Provisions. Contractor shall, and shall cause its Ambulance Subcontractor to, return to County all County issued equipment in good working order, normal wear and tear excepted, upon the expiration or termination of this Contract. For any County equipment not so returned, County shall repair or replace said equipment at Contractor's expense and deduct the cost thereof from any payments owed to Contractor. In the event Contractor is not owed any payments under this Contract, Contractor shall reimburse County for the actual cost of repairs and/or replacement.

32. Event of Default. Subject to the dispute resolution process set forth in Section P(13) of the Service Plan, if a party to this Contract believes the other party has failed to perform or observe any material term, covenant or provision of this Contract (any such event, a "Default"), the non-Defaulting party shall deliver a written notice to cure such Default to the Defaulting party ("Notice to Cure"). Within thirty (30) days following the date of the mailing of the Notice to Cure, the Defaulting party shall cure the Default or, if the Default is not reasonably capable of cure within thirty (30) days, the Defaulting party will be allowed to cure such Default if it provides the non-Defaulting party with a good faith plan to cure such Default, but only for so long as it diligently pursues cure of such Default and provides evidence thereof to the non-Defaulting party. If the Defaulting party fails to cure such Default within thirty (30) days of the date the Notice to Cure is mailed or fails to provide a good faith plan to cure a Default incapable of cure within thirty (30) days, or fails to diligently pursue a cure of such Default incapable of cure within thirty (30) days (an "Event of Default"), then, in addition to any other rights available to the non-Defaulting party under law or equity, the non-Defaulting party may terminate this Contract as provided in Special Condition Section 5(b) ."

Contra Costa County
Standard Form L-5
Revised 2014

GENERAL CONDITIONS
(Purchase of Services - Long Form)

1. **Compliance with Law**. Contractor is subject to and must comply with all applicable federal, state, and local laws and regulations with respect to its performance under this Contract, including but not limited to, licensing, employment, and purchasing practices; and wages, hours, and conditions of employment, including nondiscrimination.

2. **Inspection**. Contractor's performance, place of business, and records pertaining to this Contract are subject to monitoring, inspection, review and audit by authorized representatives of the County, the State of California, and the United States Government.

3. **Records**. Contractor must keep and make available for inspection and copying by authorized representatives of the County, the State of California, and the United States Government, the Contractor's regular business records and such additional records pertaining to this Contract as may be required by the County.

   a. **Retention of Records**. Contractor must retain all documents pertaining to this Contract for five years from the date of submission of Contractor's final payment demand or final Cost Report; for any further period that is required by law; and until all federal/state audits are complete and exceptions resolved for this Contract's funding period. Upon request, Contractor must make these records available to authorized representatives of the County, the State of California, and the United States Government.

   b. **Access to Books and Records of Contractor, Subcontractor**. Pursuant to Section 1861(v)(1) of the Social Security Act, and any regulations promulgated thereunder, Contractor must, upon written request and until the expiration of five years after the furnishing of services pursuant to this Contract, make available to the County, the Secretary of Health and Human Services, or the Comptroller General, or any of their duly authorized representatives, this Contract and books, documents, and records of Contractor necessary to certify the nature and extent of all costs and charges hereunder.

   Further, if Contractor carries out any of the duties of this Contract through a subcontract with a value or cost of $10,000 or more over a twelve-month period, such subcontract must contain a clause to the effect that upon written request and until the expiration of five years after the furnishing of services pursuant to such subcontract, the subcontractor must make available to the County, the Secretary, the Comptroller General, or any of their duly authorized representatives, the subcontract and books, documents, and records of the subcontractor necessary to verify the nature and extent of all costs and charges thereunder.

   This provision is in addition to any and all other terms regarding the maintenance or retention of records under this Contract and is binding on the heirs, successors, assigns and representatives of Contractor.

4. **Reporting Requirements**. Pursuant to Government Code Section 7550, Contractor must include in all documents and written reports completed and submitted to County in accordance with this Contract, a separate section listing the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of each such document or written report. This section applies only if the Payment Limit of this Contract exceeds $5,000.

GENERAL CONDITIONS
(Purchase of Services - Long Form)

5. **Termination and Cancellation**.

   a. **Written Notice**. This Contract may be terminated by either party, in its sole discretion, upon thirty-day advance written notice thereof to the other, and may be cancelled immediately by written mutual consent.

   b. **Failure to Perform**. County, upon written notice to Contractor, may immediately terminate this Contract should Contractor fail to perform properly any of its obligations hereunder. In the event of such termination, County may proceed with the work in any reasonable manner it chooses. The cost to County of completing Contractor's performance will be deducted from any sum due Contractor under this Contract, without prejudice to County's rights to recover damages.

   c. **Cessation of Funding**. Notwithstanding any contrary language in Paragraphs 5 and 11, in the event that federal, state, or other non-County funding for this Contract ceases, this Contract is terminated without notice.

6. **Entire Agreement**. This Contract contains all the terms and conditions agreed upon by the parties. Except as expressly provided herein, no other understanding, oral or otherwise, regarding the subject matter of this Contract will be deemed to exist or to bind any of the parties hereto.

7. **Further Specifications for Operating Procedures**. Detailed specifications of operating procedures and budgets required by this Contract, including but not limited to, monitoring, evaluating, auditing, billing, or regulatory changes, may be clarified in a written letter signed by Contractor and the department head, or designee, of the county department on whose behalf this Contract is made. No written clarification prepared pursuant to this Section will operate as an amendment to, or be considered to be a part of, this Contract.

8. **Modifications and Amendments**.

   a. **General Amendments**. In the event that the total Payment Limit of this Contract is less than $100,000 and this Contract was executed by the County's Purchasing Agent, this Contract may be modified or amended by a written document executed by Contractor and the County's Purchasing Agent or the Contra Costa County Board of Supervisors, subject to any required state or federal approval. In the event that the total Payment Limit of this Contract exceeds $100,000 or this Contract was initially approved by the Board of Supervisors, this Contract may be modified or amended only by a written document executed by Contractor and the Contra Costa County Board of Supervisors or, after Board approval, by its designee, subject to any required state or federal approval.

   b. **Minor Amendments**. The Payment Provisions and the Service Plan may be amended by a written administrative amendment executed by Contractor and the County Administrator (or designee), subject to any required state or federal approval, provided that such administrative amendment may not increase the Payment Limit of this Contract or reduce the services Contractor is obligated to provide pursuant to this Contract.

9. **Disputes**. Disagreements between County and Contractor concerning the meaning, requirements, or performance of this Contract shall be subject to final written determination by the head of the county department for which this Contract is made, or his designee, or in accordance with the applicable procedures (if any) required by the state or federal government.

Contractor _____ County Dept. _____

10. **Choice of Law and Personal Jurisdiction**.

    a. This Contract is made in Contra Costa County and is governed by, and must be construed in accordance with, the laws of the State of California.

    b. Any action relating to this Contract must be instituted and prosecuted in the courts of Contra Costa County, State of California.

11. **Conformance with Federal and State Regulations and Laws**. Should federal or state regulations or laws touching upon the subject of this Contract be adopted or revised during the term hereof, this Contract will be deemed amended to assure conformance with such federal or state requirements.

12. **No Waiver by County**. Subject to Paragraph 9. (Disputes) of these General Conditions, inspections or approvals, or statements by any officer, agent or employee of County indicating Contractor's performance or any part thereof complies with the requirements of this Contract, or acceptance of the whole or any part of said performance, or payments therefor, or any combination of these acts, do not relieve Contractor's obligation to fulfill this Contract as prescribed; nor is the County thereby prevented from bringing any action for damages or enforcement arising from any failure to comply with any of the terms and conditions of this Contract.

13. **Subcontract and Assignment**. This Contract binds the heirs, successors, assigns and representatives of Contractor. Prior written consent of the County Administrator or his designee, subject to any required state or federal approval, is required before the Contractor may enter into subcontracts for any work contemplated under this Contract, or before the Contractor may assign this Contract or monies due or to become due, by operation of law or otherwise.

14. **Independent Contractor Status**. The parties intend that Contractor, in performing the services specified herein, is acting as an independent contractor and that Contractor will control the work and the manner in which it is performed. This Contract is not to be construed to create the relationship between the parties of agent, servant, employee, partnership, joint venture, or association. Contractor is not a County employee. This Contract does not give Contractor any right to participate in any pension plan, workers' compensation plan, insurance, bonus, or similar benefits County provides to its employees. In the event that County exercises its right to terminate this Contract, Contractor expressly agrees that it will have no recourse or right of appeal under any rules, regulations, ordinances, or laws applicable to employees.

15. **Conflicts of Interest**. Contractor covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Contractor further covenants that in the performance of this Contract, no person having any such interests will be employed by Contractor. If requested to do so by County, Contractor will complete a "Statement of Economic Interest" form and file it with County and will require any other person doing work under this Contract to complete a "Statement of Economic Interest" form and file it with County. Contractor covenants that Contractor, its employees and officials, are not now employed by County and have not been so employed by County within twelve months immediately preceding this Contract; or, if so employed, did not then and do not now occupy a position that would create a conflict of interest under Government

Code section 1090. In addition to any indemnity provided by Contractor in this Contract, Contractor will indemnify, defend, and hold the County harmless from any and all claims, investigations, liabilities, or damages resulting from or related to any and all alleged conflicts of interest. Contractor warrants that it has not provided, attempted to provide, or offered to provide any money, gift, gratuity, thing of value, or compensation of any kind to obtain this Contract.

16. **Confidentiality**. To the extent allowed under the California Public Records Act, Contractor agrees to comply and to require its officers, partners, associates, agents and employees to comply with all applicable state or federal statutes or regulations respecting confidentiality, including but not limited to, the identity of persons served under this Contract, their records, or services provided them, and assures that no person will publish or disclose or permit or cause to be published or disclosed, any list of persons receiving services, except as may be required in the administration of such service. Contractor agrees to inform all employees, agents and partners of the above provisions, and that any person knowingly and intentionally disclosing such information other than as authorized by law may be guilty of a misdemeanor.

17. **Nondiscriminatory Services**. Contractor agrees that all goods and services under this Contract will be available to all qualified persons regardless of age, gender, race, religion, color, national origin, ethnic background, disability, or sexual orientation, and that none will be used, in whole or in part, for religious worship.

18. **Indemnification**. Contractor will defend, indemnify, save, and hold harmless County and its officers and employees from any and all claims, demands, losses, costs, expenses, and liabilities for any damages, fines, sickness, death, or injury to person(s) or property, including any and all administrative fines, penalties or costs imposed as a result of an administrative or quasi-judicial proceeding, arising directly or indirectly from or connected with the services provided hereunder that are caused, or claimed or alleged to be caused, in whole or in part, by the negligence or willful misconduct of Contractor, its officers, employees, agents, contractors, subcontractors, or any persons under its direction or control. If requested by County, Contractor will defend any such suits at its sole cost and expense. If County elects to provide its own defense, Contractor will reimburse County for any expenditures, including reasonable attorney's fees and costs. Contractor's obligations under this section exist regardless of concurrent negligence or willful misconduct on the part of the County or any other person; provided, however, that Contractor is not required to indemnify County for the proportion of liability a court determines is attributable to the sole negligence or willful misconduct of the County, its officers and employees. This provision will survive the expiration or termination of this Contract.

19. **Insurance**. During the entire term of this Contract and any extension or modification thereof, Contractor shall keep in effect insurance policies meeting the following insurance requirements unless otherwise expressed in the Special Conditions:

    a. **Commercial General Liability Insurance.** For all contracts where the total payment limit of the contract is $500,000 or less, Contractor will provide commercial general liability insurance, including coverage for business losses and for owned and non-owned automobiles, with a minimum combined single limit coverage of $500,000 for all damages, including consequential damages, due to bodily injury, sickness or disease, or death to any person or damage to or destruction of property, including the loss of use thereof, arising from each occurrence. Such insurance must be endorsed to include County and its officers and employees as additional insureds as to all services performed by Contractor under this Contract. Said policies must constitute primary insurance as to

County, the state and federal governments, and their officers, agents, and employees, so that other insurance policies held by them or their self-insurance program(s) will not be required to contribute to any loss covered under Contractor's insurance policy or policies. Contractor must provide County with a copy of the endorsement making the County an additional insured on all commercial general liability policies as required herein no later than the effective date of this Contract. For all contracts where the total payment limit is greater than $500,000, the aforementioned insurance coverage to be provided by Contractor must have a minimum combined single limit coverage of $1,000,000.

b. **Workers' Compensation**. Contractor must provide workers' compensation insurance coverage for its employees.

c. **Certificate of Insurance**. The Contractor must provide County with (a) certificate(s) of insurance evidencing liability and worker's compensation insurance as required herein no later than the effective date of this Contract. If Contractor should renew the insurance policy(ies) or acquire either a new insurance policy(ies) or amend the coverage afforded through an endorsement to the policy at any time during the term of this Contract, then Contractor must provide (a) current certificate(s) of insurance.

d. **Additional Insurance Provisions.** No later than five days after Contractor's receipt of: (i) a notice of cancellation, a notice of an intention to cancel, or a notice of a lapse in any of Contractor's insurance coverage required by this Contract; or (ii) a notice of a material change to Contractor's insurance coverage required by this Contract, Contractor will provide Department a copy of such notice of cancellation, notice of intention to cancel, notice of lapse of coverage, or notice of material change. Contractor's failure to provide Department the notice as required by the preceding sentence is a default under this Contract

20. **Notices**. All notices provided for by this Contract must be in writing and may be delivered by deposit in the United States mail, postage prepaid. Notices to County must be addressed to the head of the county department for which this Contract is made. Notices to Contractor must be addressed to the Contractor's address designated herein. The effective date of notice is the date of deposit in the mails or of other delivery, except that the effective date of notice to County is the date of receipt by the head of the county department for which this Contract is made.

21. **Primacy of General Conditions**. In the event of a conflict between the General Conditions and the Special Conditions, the General Conditions govern unless the Special Conditions or Service Plan expressly provide otherwise.

22. **Nonrenewal**. Contractor understands and agrees that there is no representation, implication, or understanding that the services provided by Contractor under this Contract will be purchased by County under a new contract following expiration or termination of this Contract, and Contractor waives all rights or claims to notice or hearing respecting any failure to continue purchasing all or any such services from Contractor.

23. **Possessory Interest**. If this Contract results in Contractor having possession of, claim or right to the possession of land or improvements, but does not vest ownership of the land or improvements in the same person, or if this Contract results in the placement of taxable improvements on tax exempt land (Revenue & Taxation Code Section 107), such interest or improvements may represent a possessory interest subject to property tax, and Contractor may be subject to the payment of property taxes levied on such interest. Contractor agrees that this provision complies with the notice

requirements of Revenue & Taxation Code Section 107.6, and waives all rights to further notice or to damages under that or any comparable statute.

24. **No Third-Party Beneficiaries**. Nothing in this Contract may be construed to create, and the parties do not intend to create, any rights in third parties.

25. **Copyrights, Rights in Data, and Works Made for Hire**. Contractor will not publish or transfer any materials produced or resulting from activities supported by this Contract without the express written consent of the County Administrator. All reports, original drawings, graphics, plans, studies and other data and documents, in whatever form or format, assembled or prepared by Contactor or Contractor's subcontractors, consultants, and other agents in connection with this Contract are "works made for hire" (as defined in the Copyright Act, 17 U.S.C. Section 101 et seq., as amended) for County, and Contractor unconditionally and irrevocably transfers and assigns to Agency all right, title, and interest, including all copyrights and other intellectual property rights, in or to the works made for hire. Unless required by law, Contractor shall not publish, transfer, discuss, or disclose any of the above-described works made for hire or any information gathered, discovered, or generated in any way through this Agreement, without County's prior express written consent. If any of the works made for hire is subject to copyright protection, County reserves the right to copyright such works and Contractor agrees not to copyright such works. If any works made for hire are copyrighted, County reserves a royalty-free, irrevocable license to reproduce, publish, and use the works made for hire, in whole or in part, without restriction or limitation, and to authorize others to do so.

26. **Endorsements**. In its capacity as a contractor with Contra Costa County, Contractor will not publicly endorse or oppose the use of any particular brand name or commercial product without the prior written approval of the Board of Supervisors. In its County-contractor capacity, Contractor will not publicly attribute qualities or lack of qualities to a particular brand name or commercial product in the absence of a well-established and widely accepted scientific basis for such claims or without the prior written approval of the Board of Supervisors. In its County-contractor capacity, Contractor will not participate or appear in any commercially produced advertisements designed to promote a particular brand name or commercial product, even if Contractor is not publicly endorsing a product, as long as the Contractor's presence in the advertisement can reasonably be interpreted as an endorsement of the product by or on behalf of Contra Costa County. Notwithstanding the foregoing, Contractor may express its views on products to other contractors, the Board of Supervisors, County officers, or others who may be authorized by the Board of Supervisors or by law to receive such views.

27. **Required Audit**. (A) If Contractor is funded by $500,000 or more in federal grant funds in any fiscal year from any source, Contractor must provide to County, at Contractor's expense, an audit conforming to the requirements set forth in the most current version of Office of Management and Budget Circular A-133. (B) If Contractor is funded by less than $500,000 in federal grant funds in any fiscal year from any source, but such grant imposes specific audit requirements, Contractor must provide County with an audit conforming to those requirements. (C) If Contractor is funded by less than $500,000 in federal grant funds in any fiscal year from any source, Contractor is exempt from federal audit requirements for that year; however, Contractor's records must be available for and an audit may be required by, appropriate officials of the federal awarding agency, the General Accounting Office (GAO), the pass-through entity and/or the County. If any such audit is required, Contractor must provide County with such audit. With respect to the audits specified in (A), (B) and (C) above, Contractor is solely responsible for arranging for the conduct of the audit, and for its cost. County may withhold the estimated cost of the audit or 10 percent of the

contract amount, whichever is greater, or the final payment, from Contractor until County receives the audit from Contractor.

28. **Authorization**. Contractor, or the representative(s) signing this Contract on behalf of Contractor, represents and warrants that it has full power and authority to enter into this Contract and to perform the obligations set forth herein.

29. **No Implied Waiver**. The waiver by County of any breach of any term or provision of this Contract will not be deemed to be a waiver of such term or provision or of any subsequent breach of the same or any other term or provision contained herein.

Contra Costa County

To: Contra Costa County Fire Protection District Board of Directors

From: David Twa, County Administrator

Date: December 8, 2015

Subject: Confirm Adoption of Health Care Changes in MOUs with the United Chief Officers' Association and UPFF, Local 1230

RECOMMENDATION(S):

CONFIRM adoption of Resolutions No. 2014/5 and 2015/4 that approved Memorandum of Understanding (MOU) between the Contra Costa County Fire Protection District and the United Professional Firefighters, Local 1230 and between the Contra Costa County Fire Protection District and the United Chief Officers' Association, modifying Section 14 of the MOUs.

FISCAL IMPACT:

As shown in the attached valuations, the result of the health plan changes described herein, if implemented, will create a $22.6 million or 2.85% decrease in the Actuarial Accrued Liability and a $2.5 million or 2.86% decrease in the calculated Annual Required Contribution.

BACKGROUND:

New Memoranda of Understanding were approved by the Contra Costa County Fire Protection Board on December 9, 2014, (Resolution No. 2014/5) and August 25, 2015, (Resolution No. 2015/4) for the UPFF, Local 1230 and United Chief Officers' Association respectively.

☑ APPROVE ☐ OTHER

☑ RECOMMENDATION OF CNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/08/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 8, 2015

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Lisa Driscoll, County Finance Director (925) 335-1023

By: , Deputy

cc: Ann Elliott, Employee Benefits Manager, Jeff Carman, Chief CCCFPD, Harjit S. Nahal, Assistant County Auditor, County Counsel

BACKGROUND: (CONT'D)

> In summary, changes to the health and dental care provisions of those MOUs are:

UPFF, Local 1230 MOU Section 14:

Health & Welfare, Life & Dental

- For the plan year that begins on January 1, 2016, the District will pay a monthly premium subsidy for each health plan that is equal to the actual dollar monthly premium subsidy that is paid by the District as of November 30, 2015. If there is an increase in the monthly premium charged by a health plan for 2016, the District and the employee will each pay fifty percent (50%) of that increase. For each calendar year thereafter, the District and the employee will each pay fifty percent (50%) of the monthly premium increase above the 2015 plan premium.

Delta and PMI Delta Care

- For the plan year that begins on January 1, 2016, the District will pay a monthly premium subsidy for each health plan that is equal to the actual dollar monthly premium subsidy that is paid by the District as of November 30, 2015. In addition, if there is an increase in the monthly premium charged by a health plan for 2016, the District and the employee will each pay fifty percent (50%) of that increase. For each calendar year thereafter, the District and the employee will each pay fifty percent (50%) of the monthly premium increase above the 2015 plan premium.

Dental Only

- Employees who elect dental coverage as stated above without health coverage will pay one cent ($.01) per month for such coverage. Beginning on January 1, 2016, the District will pay a monthly dental premium subsidy for each dental plan that is equal to the actual dollar monthly premium subsidy that is paid by the District for 2015. If there is an increase in the premium charged by a dental plan for 2016, the District and the employee will each pay fifty percent (50%) of the increase. For each calendar year thereafter he District and the employee will each pay fifty percent (50%) of the premium increase that is above the 2015 plan premium.
- In the event, in whole or in part, that the above amounts are greater than one hundred percent (100%) of the applicable premium of any plan, the District's contribution will not exceed one hundred percent (100%) of the applicable plan premium.

Retirement Dental Coverage

- For employees hired on or after January 1, 2015, no monthly premium subsidy will be paid by the District for any dental plan after they separate from District employment.

Dual coverage

- On and after January 1, 2015, each employee and retiree may be covered by only a single District health and/or a single District dental plan, including CalPERS plans.
- On and after January 1, 2015, each dependent may be covered by the health and/or dental plan of only one spouse or one domestic partner.

UCOA MOU Section 14

Health and Welfare, Life and Dental Care

- For the plan year that begins on January 1, 2016, the District will contribute up to an amount equivalent to 80% of the 2016 CalPERS Kaiser premium.
- For the plan year that begins on January 1, 2017, the District will pay a monthly premium subsidy for each health plan that is equal to the actual dollar monthly premium subsidy that is paid by the District for that plan as of November 30, 2016. If there is an increase in the monthly premium charged by a health plan for 2017, the District and the employee will each pay fifty percent (50%) of that increase. For each plan year

thereafter, and for each plan, the District and the employee will each pay fifty (50%) of the monthly premium increase above the 2016 plan premiums.

Delta and PMI Delta Care

- For the plan year that begins on January 1, 2016, the District will pay a monthly premium subsidy for each dental plan that is equal to the actual dollar monthly premium subsidy that is paid by the District as of November 30, 2015. In addition, if there is an increase in the monthly premium charged by a dental plan for 2016, the District and the employee will each pay fifty percent (50%) of that increase. For each plan year thereafter, the District and the employee will each pay fifty percent (50%) of the monthly premium increase above the 2015 plan premium.

Dental Only

- Employees who elect dental coverage as stated above without health coverage will pay one cent ($.01) per month for such coverage. Beginning on January 1, 2016, the District will pay a monthly dental premium subsidy for each dental plan that is equal to the actual dollar monthly premium subsidy that is paid by the District for 2015. If there is an increase in the premium charged by a dental plan for 2016, the District and the employee will each pay fifty percent (50%) of the increase. For each plan year thereafter, the District and the employee will each pay fifty percent (50%) of the premium increase that is above the 2015 plan premium.

This action confirms the changes specified in the MOUs. The Government Code 7507 valuation reports for this benefit change, considered by the Board of Directors on November 17, 2015, are attached.

CONSEQUENCE OF NEGATIVE ACTION:

Delayed implementation of health care rate revisions.

ATTACHMENTS

7507 Report for L1230 dated January 9, 2015

7507 Report for UCOA dated November 10, 2015

650 California Street, 17th Floor
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January 9, 2015

Ms. Lisa Driscoll
County Finance Director
County Administrator's Office
651 Pine Street, 10th Floor
Martinez, CA 94553

Contra Costa County Retiree Health Plan
Analysis of Proposed Retiree Health Benefit Change for International Association of Firefighters Local 1230 of the Contra Costa County Fire Protection District

Dear Ms. Driscoll:

As requested, we have estimated the cost impact of a proposed change to retiree health benefits for the International Association of Firefighters Local 1230 ("Local 1230"). The proposed benefit change would apply to all Local 1230 employees and retirees for the Contra Costa County Fire Protection District ("District"). The purpose of this analysis is to estimate the change in the District's long-term other postemployment liability under GASB 45 (comparison of the present value of benefits, actuarial accrued liability, normal cost, annual required contribution, and projected benefit payments is shown before and after the proposed change) to comply with California Government Code Section 7507.

Current Plan

Currently, for eligible retirees from bargaining unit 4N, the District will pay a subsidy toward the cost of monthly medical premiums equal to 87% of the CalPERS Bay Area Basic Kaiser premium at each coverage level, but not more than the actual premium, if less.

For retirees enrolled in a health plan from CalPERS, the District will also subsidize an amount equal to 78% of the monthly dental premium. For retirees who elect dental coverage without medical coverage, the District will subsidize an amount toward the monthly dental premium such that the retiree will pay one cent ($0.01) per month for such coverage.

Proposed Plan

District Premium Subsidy on or after January 1, 2016: For 2016 and each calendar year thereafter, the prior year's District subsidy for each medical plan and rate tier will increase by 50% of the actual premium increase in the medical plan and rate tier in which the member is enrolled.

For eligible retirees from bargaining unit 4N enrolled in both a medical and dental plan, the District will pay a subsidy equal to 50% of the cost of monthly dental premiums in 2016 and later. For retirees enrolled only in a dental plan, retirees are required to pay $0.01 per month for dental coverage. For 2016 and later, the required monthly contribution from retirees would increase each year by 50% of the dental premium increase.

Results

	2014 Actuarial Valuation Results		
	Current Plan	Proposed Plan* (Local 1230 Change)	Difference
Present Value of Benefits			
Active Employees	$625,243,000	$607,882,000	($17,361,000)
Retirees	$567,919,000	$554,996,000	($12,923,000)
Total	$1,193,162,000	$1,162,878,000	($30,284,000)
Actuarial Accrued Liability			
Active Employees	$355,929,000	$347,330,000	($8,599,000)
Retirees	$567,919,000	$554,996,000	($12,923,000)
Total	$923,848,000	$902,326,000	($21,522,000)
Assets	$129,426,000	$129,426,000	
Unfunded AAL	$794,422,000	$772,900,000	($21,522,000)
Amortization of UAAL as of June 30, 2014	$59,872,000	$58,250,000	($1,622,000)
Normal Cost as of June 30, 2014	$28,666,000	$27,860,000	($806,000)
Annual Required Contribution (ARC)	$88,538,000	$86,110,000	($2,428,000)

* For comparison purposes, the liabilities associated with the proposed plan change were measured based on the 2014 premiums trended to 2015 using the trend assumption stated in our 2014 actuarial valuation. The actual calendar year 2015 medical and dental premiums may differ from the trended premiums and the liabilities based on actual 2015 premiums may also differ than the amounts shown above.

The items shown in the table above are defined as follows:

The **Present Value of Benefits** is the present value of projected benefits (projected claims less retiree contributions) discounted at the valuation interest rate (5.70%).

The **Actuarial Accrued Liability (AAL)** is the present value of benefits that are attributed to past service only. The portion attributed to future employee service is excluded. For retirees, this is equal to the present value of benefits. For active employees, this is equal to the present value of benefits prorated by service to date over service at the expected retirement age.

The **Normal Cost** is that portion of the District provided benefit attributable to employee service in the current year. Employees are assumed to have an equal portion of the present value of benefits attributed to each year of service from date of hire to expected retirement age.

The **Annual Required Contribution (ARC)** is equal to the Normal Cost plus an amount to amortize the unfunded AAL as a level dollar amount over a period of 30 years on a "closed" basis starting January 1, 2008. There are 24 years remaining as of January 1, 2014.

The table below contains a 25 year projection of projected benefit payments under the current and proposed benefit plans. The projected benefit payments are net of required retiree contributions, but include the value of the implicit premium rate subsidy for non-Medicare retirees for whom the same premium rate is charged as for actives. The projected benefit payments include only employees and retirees as of the valuation date (January 1, 2014). Future employees are not reflected in the table below.

Projected Benefit Payments			
Year	Current Plan	Proposed Plan (Local 1230 Change)	Difference
2014	$54,439,000	$54,439,000	$0
2015	56,181,000	56,181,000	0
2016	58,437,000	58,327,000	(110,000)
2017	61,348,000	61,112,000	(236,000)
2018	63,630,000	63,263,000	(367,000)
2019	66,025,000	65,520,000	(505,000)
2020	68,604,000	67,948,000	(656,000)
2021	70,593,000	69,768,000	(825,000)
2022	72,445,000	71,455,000	(990,000)
2023	74,411,000	73,259,000	(1,152,000)
2024	76,694,000	75,376,000	(1,318,000)
2025	78,735,000	77,233,000	(1,502,000)
2026	80,219,000	78,546,000	(1,673,000)
2027	81,526,000	79,667,000	(1,859,000)
2028	82,231,000	80,193,000	(2,038,000)
2029	82,931,000	80,705,000	(2,226,000)
2030	84,113,000	81,705,000	(2,408,000)
2031	84,428,000	81,848,000	(2,580,000)
2032	84,455,000	81,688,000	(2,767,000)
2033	85,136,000	82,202,000	(2,934,000)
2034	85,151,000	82,068,000	(3,083,000)
2035	84,817,000	81,589,000	(3,228,000)
2036	84,882,000	81,465,000	(3,417,000)
2037	84,839,000	81,301,000	(3,538,000)
2038	84,615,000	80,960,000	(3,655,000)

Important Notes

Except where noted above, the results in this letter are based on the same data, methods, assumptions, and plan provisions that are used in the January 1, 2014, actuarial valuation report for the Contra Costa County ("County"), dated August 8, 2014. Appendices A through C contain a description of the current provisions assumptions and data used in the valuation report.

In preparing our report, we relied, without audit, on information (some oral and some in writing) supplied by Contra Costa County's staff. This information includes but not limited to employee census data, financial information and plan provisions. While Milliman has not audited the financial and census data, they have been reviewed for reasonableness and are, in our opinion, sufficient and reliable for the purposes of our calculations. If any of this information as summarized in this report is inaccurate or incomplete, the results shown could be materially affected and this report may need to be revised.

All costs, liabilities, rates of interest, and other factors for the District have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of the District and reasonable expectations); and which, in combination, offer our best estimate of anticipated experience affecting the District. Further, in our opinion, each actuarial assumption used is reasonably related to the experience of the Plan and to reasonable expectations which, in combination, represent our best estimate of anticipated experience for the District.

This analysis is only an estimate of the Plan's financial condition as of a single date. It can neither predict the Plan's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of District contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements. The District has the final decision regarding the appropriateness of the assumptions and actuarial cost methods.

This letter is prepared solely for the internal business use of Contra Costa County. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions:

a) Contra Costa County may provide a copy of Milliman's work, in its entirety, to the County's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the County.

b) Contra Costa County may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

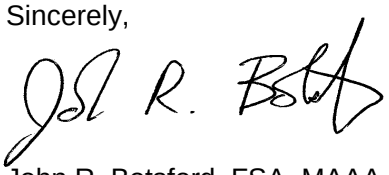
No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuary is independent of the plan sponsor. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, the report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the applicable Actuarial Standards of Practice of the American Academy of Actuaries. The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Sincerely,



John R. Botsford, FSA, MAAA
Principal and Consulting Actuary

JRB:dy
enc.

Appendix A. Summary of Benefits under Current Plan before Proposed Changes

The following description of retiree health benefits is intended to be only a brief summary and is not complete information.

Eligibility

Currently, employees may receive retiree health benefits if they retire from the County, are receiving a pension, and meet certain eligibility requirements as follows:

General employees - age 50 with 10 years of pension service or age 70 with a vested pension, or after 30 years of pension service with no age requirement.

Safety employees - age 50 with 10 years of pension service or age 70 with a vested pension, or after 20 years of pension service with no age requirement.

Employees hired after December 31, 2006 and represented by the following bargaining groups (AFSCME, California Nurses Association, Deputy District Attorneys' Association, Public Defenders Association, IFPTE, Western Council of Engineers, SEIU, PEU, Probation Peace Officers Association, and Unrepresented) also must have 15 years of County service.

Employees hired on or after October 1, 2005, and represented by the Physicians' and Dentists' Organization also must have 15 years of County service.

Health Benefits

Currently, eligible retirees and their dependents are covered either under the Contra Costa Health Plans, Health Net plans, Kaiser plans, or health plans sponsored by CalPERS (PEMHCA). Coverage may be provided for a retiree and surviving spouse as long as retiree and surviving spouse monthly premium contributions are paid. The County may pay a subsidy toward eligible retirees' monthly medical and dental premiums. This subsidy may vary by bargaining unit and date of hire as described in this appendix. Employees hired on or after dates described in the table below and represented by the following bargaining groups must pay the entire cost of premiums to maintain coverage.

Bargaining Unit Name	Hire Date on or after which eligible retirees must pay entire cost of premiums
IFPTE, Unrepresented	January 1, 2009
AFSCME, Western Council of Engineers, SEIU, and PEU	January 1, 2010
Deputy District Attorneys Association	December 14, 2010
Probation Peace Officers Association of CCC	January 1, 2011
CCC Public Defenders Association	March 1, 2011

All surviving spouses must pay the entire cost of premiums to maintain coverage, with the exception of the following bargaining groups for whom the surviving spouse receives the same County subsidy as the retiree (covered by CalPERS health plans): A8 (Sheriff). BD (Fire Chief), BS (Sworn Exec. Mgmt.), HA, V#, VH, VN, 4N, BF, and XJ.

Bargaining Units V#, VH, VN, F8 and FW

Currently, for eligible retirees from the bargaining units listed in the table below, the County will contribute toward the cost of monthly premiums (medical and dental) in 2014 an amount equal to the actual dollar monthly premium amount paid by the County as of November 30, 2013, at each coverage level, plus 50% of the actual premium increase for 2014. For premium increases in 2015 and later, the County and retiree will split the increase evenly: the County will pay for 50% of the increase, and the retiree must pay for the other 50% of the increase.

Retirees who elected dental coverage without health coverage will pay one cent ($0.01) per month for 2013, plus 50% of the actual premium increase for 2014. For premium increases in 2015 and later, the County and retiree will split the increase evenly: the County will pay for 50% of the increase, and the retiree must pay for the other 50% of the increase.

Bargaining Unit Code	Bargaining Unit Name	General / Safety
F8	Unrep Classified & Exempt-Othr	General
FW	Unrep Cl & Ex-Sworn Peace Offc	Safety
V#	Sheriff's Sworn Mgmt Unit	Safety
VH	Deputy Sheriff's Unit-Sworn	Safety
VN	Deputy Sheriff's Unit-NonSworn	General

For employees hired between January 2, 2007, and September 30, 2011, and represented by the Deputy Sheriffs' Association, the County subsidy is subject to a vesting schedule as shown in the table below.

Credited Years of Service	Percentage of Employer Contribution
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 or more	100

Bargaining Unit HA – Fire Management

Currently, for eligible Fire Management retirees represented by United Chief Officers Association (UCOA) with bargaining unit code HA, the County will subsidize an amount equal to 80% of the CalPERS Kaiser premium at each coverage level (employee only, employee + one, employee + two or more) for the region in which the retiree resides, but the County's subsidy will not exceed the total premium of a lower cost plan.

For retirees enrolled in a health plan from CalPERS, the County will subsidize 78% of the monthly dental premium.

For retirees who elect dental coverage without medical coverage, the County will subsidize an amount toward the monthly dental premium such that the retiree will pay one cent ($0.01) per month for such coverage.

Bargaining Unit XJ – D.A. Investigators

Currently, for eligible retirees from the bargaining unit XJ, the County will pay a subsidy toward the cost of monthly premiums (medical and dental) in 2014 an amount equal to the actual dollar monthly premium amount paid by the County in 2013, depending on coverage level. For 2014 and later, the County subsidy will increase by 75% of the actual premium increase in Bay Area Kaiser rates.

For retirees enrolled in a health plan from CalPERS, the County will subsidize an amount equal to 78% of the monthly dental premium.

For retirees who elect dental coverage without medical coverage, the County will subsidize an amount toward the monthly dental premium such that the retiree will pay one cent ($0.01) per month for such coverage.

Bargaining Units 1P, 1R, 4N, and L3

Currently, for eligible retirees from the following bargaining units, the County subsidizes a percentage of monthly premiums that varies depending on the medical and dental plan elected. Retirees from certain bargaining units described below also receive reimbursement of their Medicare Part B premiums as long as the total County subsidy does not exceed 100% of the medical plan premium.

Bargaining Unit Code	Bargaining Unit Name	General / Safety	Part B Reimbursement
1P	Physicians and Dentists Unit	General	Yes, stops in 2015
1R	Physicians & Dentists Unit-Residents	General	Yes, stops in 2015
4N	Fire Suppression & Prevention Unit	Safety	No
L3	Registered Nurses Unit	General	If retired on or before 6/30/2012 and age 65 on or before 10/31/2012

Retirees from the above listed units receive the following County subsidy based on the medical plan elected:

Medical Plan	Bargaining Unit	County Subsidy % (Medical)	County Subsidy % (Dental)
Contra Costa Health Plan A and B			
Without Dental	1P, 1R, L3	98%	0%
With Delta Dental	1P, 1R, L3	98%	98%
With PMI Delta Dental	1P, 1R, L3	98%	98%
Kaiser, Health Net HMO			
Without Dental	1P, 1R, L3	80%	0%
With Delta Dental	1P, 1R, L3	80%	78%
With PMI Delta Dental	1P, 1R, L3	80%	78%
Health Net PPO			
Without Dental	1P, 1R, L3	55%*	0%
With Delta Dental	1P, 1R, L3	55%*	78%
With PMI Delta Dental	1P, 1R, L3	55%*	78%
All Medical Plans			
Without Dental	4N	87% of Kaiser	0%
With Dental Plan	4N	87% of Kaiser	78%
Dental Only	All Units Listed Above	0%	All but $0.01 / month

* *Approximately 55% for 2014. Future increases are split evenly between the County and the retiree.*

All other Bargaining Units - County Subsidy Frozen at the 2011 Level

Currently, eligible retirees from the following bargaining units listed receive County subsidies at the same amount agreed upon between the County and the Bargaining Units in 2011 towards the medical and dental premiums with no future increases to this subsidy amount.

Bargaining Unit Code	Bargaining Unit Name	General / Safety	Bargaining Unit Code	Bargaining Unit Name	General / Safety
1X	Phys & Dnts & Optometrist Unit	General	JF	CCC Defenders/Investigators	General
2I*		General	K2	Property Appraisers Unit	General
25	Social Services Unit	General	K5	Court Professional Svcs Unit	General
51	Professional Engineers Unit	General	K6	Supervisory Clerical Unit	General
99	DEFAULT BARGAINING UNIT	General	KK	Income Maintence Program Unit	General
2D	Community Aide Unit	General	KL	Engineering Technician Unit	General
2I	Service Line Supervisors Unit	General	KM	Sheriff's Non-Sworn Mgmt Unit	General
2R	Superior Court Reporters-Ex	General	KU	Probation Supervisors Unit	Safety
3A	Superior Court Clerical Unit	General	KZ	Social Svcs Staff Special Unit	General
3B	Superior Court Barg Unit-Loc1	General	MA	District Attorneys' Unit	General
3G	Deputy Clerks Unit	General	N2	Property Appraisers Unit	General
3R	General Clerical Unit	General	PP	Probation Unit of CCC	Safety
A8	Elected Department Heads	General	QA	Agriculture & Animal Ctrl Unit	General
AJ	Elected Superior Court Judges	General	QB	LVN/Aide Unit	General
AM	Elected Municipal Court Judges	General	QC	Fam/Chld Svs Site Supv Unit	General
AS	Elected Board of Supvs Members	General	QE	Building Trades Unit	General
B8	Mgmt Classes-Classified & Exem	General	QF	Deputy Public Defender Unit/At	General
BA		General	QG	Deputy Public Defender Unit-In	General
BC	Superior Court Exempt Mgmt Gen	General	QH	Family and Children Services	General
BD	Mgmt Classified & Ex Dept Head	General	QM	Engineering Unit	General
BF	Fire District (MS) Safety Mgmt	Safety	QP		General
BH	Superior Ct Exempt Mgmt-DH	General	QS	General Services & Mtce Unit	General
BJ	Sup Ct Judicial Ofcrs Ex-Mgmt	General	QT	Health Services Unit	General
BS	Sheriff's Sworn Executive Mgmt	Safety	QV	Investigative Unit	General
C8	Management Project-Other	General	QW	Legal & Court Clerk Unit	General
CH	CS Head Start Mgmt-Project	General	QX	Library Unit	General
D8	Unrepresented Proj Class-Other	General	QY	Probation Unit	General
F8	Unrep Classified & Exempt-Other	General	S2		General
FC	Unrep Superior Ct Clerical Exempt	General	Z1	Supervisory Project	General
FD	Unrep Superior Ct Other Exempt	General	Z2	Non-Supervisory Project	General
FM	Unrep Muni Ct Reporter-Exempt	General	ZA	Supervisory Management	General
FR	Unrep Superior Ct Reptrs-Exempt	General	ZB	Non-Supervisory Management	General
FS	Unrep Cl & Ex Student Workers	General	ZL	Supervisory Nurse	General
FX	Unrep Exempt Medical Staff	General	ZN	Non-Supervisory Nurse	General
JD	CCC Defenders/Attorneys	General			

* Coded as “21” in census data.

Health Insurance Premium Rates (non-PEMHCA)

The following table shows monthly retiree health insurance premiums for the 2014 calendar year for coverage under various health plans sponsored by Contra Costa County, and the County's subsidies as frozen at the 2011 level for the specified bargaining groups.

Medical Plan	County's Subsidy (Frozen in 2011)	2014 Premium Rate	County's Subsidy for 2014	Retiree's Share for 2014
Contra Costa Health Plan A				
Retiree on Basic Plan	$ 509.92	$ 612.77	$ 509.92	$ 102.85
Retiree & 1 or more dependents on Basic Plan	1,214.90	1,459.96	1,214.90	245.06
Retiree on Medicare Coordination of Benefits (COB) Plan	420.27	279.23	279.22	0.01
Retiree & 1 or more dependents on Medicare COB Plan	1,035.60	1,228.77	1,035.60	193.17
Contra Costa Health Plan B				
Retiree on Basic Plan	528.50	679.27	528.50	150.77
Retiree & 1 or more dependents on Basic Plan	1,255.79	1,614.06	1,255.79	358.27
Retiree on Medicare COB Plan	444.63	287.60	287.59	0.01
Retiree & 1 or more dependents on Medicare COB Plan	1,088.06	1,265.63	1,088.06	177.57
Kaiser Permanente – Plan A				
Retiree on Basic Plan	478.91	768.47	478.91	289.56
Retiree & 1 or more dependents on Basic Plan	1,115.84	1,790.52	1,115.84	674.68
Retiree on Medicare COB Plan	263.94	295.01	263.94	31.07
Retiree & 1 dependent on Medicare COB Plan	712.79	796.71	712.79	83.92
Retiree & 2 dependents on Medicare COB Plan	1,161.65	1,298.41	1,161.65	136.76
Kaiser Permanente – Plan B				
Retiree on Basic Plan	478.91	676.03	478.91	197.12
Retiree & 1 or more dependents on Basic Plan	1,115.84	1,575.17	1,115.84	459.33
Retiree on Medicare COB Plan	263.94	223.69	223.68	0.01
Retiree & 1 dependent on Medicare COB Plan	712.79	603.97	603.96	0.01
Retiree & 2 dependents on Medicare COB Plan	1,161.65	984.25	984.24	0.01
Health Net HMO – Plan A				
Retiree on Basic Plan	627.79	1,067.40	627.79	439.61
Retiree & 1 or more dependents on Basic Plan	1,540.02	2,618.43	1,540.02	1,078.41
Retiree on Medicare Seniority Plus Plan	409.69	514.28	409.69	104.59
Retiree & 1 dependent on Medicare Seniority Plus Plan	819.38	1,028.56	819.38	209.18
Retiree & 2 dependents on Medicare Seniority Plus Plan	1,229.07	1,542.84	1,229.07	313.77
Health Net HMO – Plan B				
Retiree on Basic Plan	627.79	836.04	627.79	208.25
Retiree & 1 or more dependents on Basic Plan	1,540.02	2,050.86	1,540.02	510.84
Retiree on Medicare Seniority Plus Plan	409.69	431.74	409.69	22.05
Retiree & 1 dependent on Medicare Seniority Plus Plan	819.38	863.48	819.38	44.10
Retiree & 2 dependents on Medicare Seniority Plus Plan	1,229.07	1,295.22	1,229.07	66.15

Health Insurance Premium Rates (continued)

Medical Plan	County's Subsidy (Frozen in 2011)	2014 Premium Rate	County's Subsidy for 2014	Retiree's Share for 2014
Health Net Medicare COB				
Retiree only	$ 467.13	$ 573.03	$ 467.13	$ 105.90
Retiree & spouse	934.29	1,146.06	934.29	211.77
Health Net CA & Nat'l PPO – Basic Plan A				
Retiree on PPO	604.60	1,365.43	604.60	760.83
Retiree & 1 or more dependents on PPO Basic Plan	1,436.25	3,243.69	1,436.25	1,807.44
Retiree on PPO Medicare Plan with Medicare Part A & B	563.17	924.22	563.17	361.05
Retiree & 1 or more dependents on PPO Medicare Plan with Medicare Part A & B	1,126.24	1,848.43	1,126.24	722.19
Health Net CA & Nat'l PPO – Basic Plan B				
Retiree on PPO	604.60	1,240.08	604.60	635.48
Retiree & 1 or more dependents on PPO Basic Plan	1,436.25	2,945.89	1,436.25	1,509.64
Retiree on PPO Medicare Plan with Medicare Part A & B	563.17	839.40	563.17	276.23
Retiree & 1 or more dependents on PPO Medicare Plan with Medicare Part A & B	1,126.24	1,678.80	1,126.24	552.5

The following table shows monthly retiree health insurance premiums for the 2015 calendar year for health coverage under Contra Costa Health Plans sponsored by the Contra Costa County.

Medical Plan	County's Subsidy (Frozen in 2011)	2015 Premium Rate	County's Subsidy for 2015	Retiree's Share for 2015
Contra Costa Health Plan A				
Retiree on Basic Plan	$ 509.92	$ 654.44	$ 509.92	$ 144.52
Retiree & 1 or more dependents on Basic Plan	1,214.90	1,559.24	1,214.90	344.34
Retiree on Medicare COB Plan	420.27	301.01	301.00	0.01
Retiree & 1 dependent on Medicare COB Plan	1,035.60	602.02	602.01	0.01
Family, 1 on Medicare COB Plan, and 1 or more on Basic Plan	1,035.60	963.23	963.22	0.01
Contra Costa Health Plan B				
Retiree on Basic Plan	528.50	725.46	528.50	196.75
Retiree & 1 or more dependents on Basic Plan	1,255.79	1,723.82	1,255.79	468.03
Retiree on Medicare COB Plan	444.63	310.03	310.02	0.01
Retiree & 1 dependent on Medicare COB Plan	1,088.06	620.06	620.05	0.01
Family, 1 on Medicare COB Plan, and 1 or more on Basic Plan	1,088.06	992.10	992.09	0.01

PEMHCA Health Plan Premium Rates

Eligible retirees from the bargaining units 4N, A8, B8, BD, BF, BS, F8, FW, HA, V#, VH, VN, and XJ can choose to enroll in health plans sponsored by CalPERS based on their residence region (Bay Area, Sacramento, Los Angeles, Northern California, Southern California and Out of State of California). The following table shows the monthly Bay Area retiree health insurance premiums for the 2014 calendar year:

	Monthly Premium Rates – 2014					
	Single		2-Party		Family	
	Under 65	Over 65	Under 65	Over 65	Under 65	Over 65
Blue Shield	$ 836.59	$ 298.21	$ 1,673.18	$ 596.42	$ 2,175.13	$ 894.63
Blue Shield NetValue	704.01	298.21	1,408.02	596.42	1,830.43	894.63
Kaiser	742.72	294.97	1,485.44	589.94	1,931.07	884.91
PERSCare	720.04	327.36	1,440.08	654.72	1,872.10	982.08
PERS Choice	690.77	307.23	1,381.54	614.46	1,796.00	921.69
PERS Select	661.52	307.23	1,323.04	614.46	1,719.95	921.69
Anthem HMO Select	657.33	341.12	1,314.66	682.24	1,709.06	1,023.36
Anthem HMO Traditional	728.41	341.12	1,456.82	682.24	1,893.87	1,023.36
United Healthcare	764.24	193.33	1,528.48	386.66	1,987.02	579.99
PORAC	634.00	397.00	1,186.00	791.00	1,507.00	1,264.00
CCHP	723.74	618.84	1,281.39	1,071.59	1,674.11	1,359.41

Dental Plan Premiums

The following table shows monthly retiree dental insurance premiums for the 2014 calendar year. County subsidies vary based on retiree's medical plan enrollment election and bargaining unit upon retirement.

Plan	Monthly Premiums
Delta Dental - $1,800 Annual Maximum	
Retiree	$ 44.27
Family	100.00
Delta Dental - $1,600 Annual Maximum	
Retiree	$ 42.45
Family	95.63
Delta Care (PMI)	
Retiree	$ 29.06
Family	62.81

Excluded Bargaining Units – Not Eligible for Plan Participation

Members of the following bargaining units are not eligible for participation in the County's retiree health plan.

Bargaining Unit Code	Bargaining Unit Name	General / Safety
8I	IHSS Public Authority-Mgmt	General
8J	IHSS Public Authority-Non Mgmt	General
8P	Special Co Class Codes-Payroll	General
B9	Mgmt East CCFPD (Non-MS)	Safety

Appendix B. Actuarial Cost Method and Assumptions

The actuarial cost method used for determining the benefit obligations is the Projected Unit Credit Cost Method. Under this method, the actuarial present value of projected benefits is the value of benefits expected to be paid for current actives and eligible retirees and is calculated based on the assumptions and census data described in this report.

The Actuarial Accrued Liability (AAL) is the actuarial present value of benefits attributed to employee service rendered prior to the valuation date. The AAL equals the present value of benefits multiplied by a fraction equal to service to date over service at expected retirement. The Normal Cost is the actuarial present value of benefits attributed to one year of service. This equals the present value of benefits divided by service at expected retirement. Since retirees are not accruing any more service, their normal cost is zero. The actuarial value of assets is equal to the market value of assets as of the valuation date.

In determining the Annual Required Contribution, the Unfunded AAL is amortized as a level dollar amount over 30 years on a "closed" basis. There are 24 years remaining in the amortization period as of January 1, 2014. The actuarial assumptions are summarized below.

Economic Assumptions

Discount Rate (Liabilities) 5.70%

We have used a discount rate of 5.70% in this valuation to reflect the County's current policy of partially funding its OPEB liabilities. This rate is derived based on the fund's investment policy, level of partial funding, and includes a 2.50% long-term inflation assumption. County OPEB Irrevocable Trust assets are invested in the Public Agency Retirement Services' Highmark Portfolio. Based on the portfolio's target allocation (shown below), the average return of Trust assets over the next 30 years is expected to be 6.25%, which would be an appropriate discount rate if the County's annual contribution is equal to the ARC. If the County were to elect not to fund any amount to a Trust, the discount rate would be based on the expected return of the County's general fund (we have assumed a long term return of 3.50% for the County's general fund). Since the County is partially funding the Trust with a contribution of $20 million per year, we used a blended discount rate of 5.70%.

Asset Class	Expected 1-Year Nominal Return	Targeted Asset Allocation
Domestic Equity Large Cap	8.14%	17.0%
Domestic Equity Mid Cap	8.92%	6.0%
Domestic Equity Small Cap	9.90%	8.0%
U.S. Fixed Income	4.69%	38.0%
International / Global Equity (Developed)	8.56%	16.0%
Real Estate	8.12%	4.0%
Cash	3.01%	1.0%
Alternatives	5.71%	10.0%
Expected Geometric Median Annual Return (30 years)		6.25%

Demographic Assumptions

Below is a summary of the assumed rates for mortality, retirement, disability and withdrawal, which are consistent with assumptions used in the December 31, 2012 CCCERA Actuarial Valuation.

Pre / Post Retirement Mortality

Healthy: For General Members: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set back one year.

For Safety Member: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set back two years.

Disabled: For General Members: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set forward six years for males and set forward seven years for females.

For Safety Member: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set forward three years.

Beneficiaries: Beneficiaries are assumed to have the same mortality as a General Member of the opposite sex who had taken a service (non-disability) retirement.

Disability

Age	General Tier 3	Safety (All Tiers)
20	0.01%	0.02%
25	0.02%	0.22%
30	0.03%	0.42%
35	0.05%	0.56%
40	0.08%	0.66%
45	0.13%	0.94%
50	0.17%	2.54%

Withdrawal – Sample probabilities of terminating employment with the County are shown below for selected years of County service.

Years of Service	General	Safety
Less than 1	13.50%	11.50%
1	9.00%	6.50%
2	9.00%	5.00%
3	6.00%	4.00%
4	4.50%	3.50%
5	4.00%	3.00%
10	2.75%	1.90%
15	2.10%	1.40%
20 or more	2.00%	1.00%

Retirement – For this valuation, we have applied the Tier 3 rates for all General employees and Tier A rates for all Safety employees since nearly all current employees are in these two pension tiers.

Age	General Tier 3	Safety Tier A	Age	General Tier 3	Safety Tier A
45	0%	2%	60	15%	40%
46	0%	2%	61	20%	40%
47	0%	7%	62	27%	40%
48	0%	7%	63	27%	40%
49	0%	20%	64	30%	40%
50	4%	25%	65	40%	100%
51	3%	25%	66	40%	100%
52	3%	25%	67	40%	100%
53	5%	25%	68	40%	100%
54	5%	25%	69	40%	100%
55	10%	30%	70	40%	100%
56	10%	25%	72	40%	100%
57	10%	25%	73	40%	100%
58	12%	35%	74	40%	100%
59	12%	35%	75	100%	100%

Coverage Election Assumptions

Retiree Coverage – We have assumed 90% of new retirees will elect medical and dental coverage at retirement. For new retirees who were members of certain bargaining units indicated in appendix A and hired after a certain date indicated (eligible retirees must pay entire cost of premium to maintain coverage), we have assumed 50% will elect medical and dental coverage at retirement.

Spouse Coverage – We have assumed 50% of new retirees electing coverage will elect spouse medical and dental coverage at retirement.

Spouse Age – Female spouses are assumed to be three years younger than male spouses.

Dependent Coverage – We have assumed 30% of retirees with no spouse coverage will elect coverage for a dependent child until age 65, and 50% of retirees with spouse coverage will elect coverage for a dependent child until age 65.

Health Plan Election – We have assumed that new retirees will remain enrolled in the same plan they were enrolled in as actives. For actives who waived coverage, we have assumed that they will elect Kaiser plan coverage.

Valuation of Retiree Premium Subsidy Due to Active Health Costs

The County and California PERS (PEMHCA) health plans charge the same premiums for retirees who are not yet eligible for Medicare as for active employees. Therefore, the retiree premium rates are being subsidized by the inclusion of active lives in setting rates. (Premiums calculated only based on retiree health claims experience would have resulted in higher retiree premiums.) GASB 45 requires that the value of this subsidy be recognized as a liability in valuations of OPEB costs. To account for the fact that per member health costs vary depending on age (higher health costs at older ages), we calculated equivalent per member per month (PMPM) costs that vary by age based on the age distribution of covered members, and based on relative cost factors by age. The relative cost factors were developed from the Milliman Health Cost Guidelines™. Based on the carrier premium rates and relative age cost factors assumptions, we developed age adjusted monthly PMPM health costs for 2014 to be used in valuing the implicit rate subsidy. The following tables show the age adjusted expected monthly claims cost for a male participant at age 64 for each health plan and relative age factors compared to a male age 64.

Plan	Monthly Age Adjusted Claims Cost for Age 64 Male	Dependent Child Cost Load
CCHP A	$ 1,164	$ 157
CCHP B	1,431	329
Kaiser A	1,384	246
Kaiser B	1,278	264
Health Net HMO A	1,878	394
Health Net HMO B	1,621	369
Health Net PPO	1,903	316
California PERS Plans (average)	1,100	219

Relative Claims Cost Factor Compared to Male age 64

Age	Male	Female
50	0.458	0.572
55	0.604	0.668
60	0.786	0.789
64	1.000	0.915

Since retirees eligible for Medicare (age 65 and beyond) are enrolled in Medicare supplemental plans, the premiums for retirees with Medicare are determined without regard to active employee claims experience and no such subsidy exists for this group for medical cost.

Medical Cost Inflation Assumption

We assumed future increases to the health costs and premiums are based on the "Getzen" model published by the Society of Actuaries for purposes of evaluating long term medical trend. Under the Patient Protection and Affordable Care Act of 2010, a Federal excise tax will apply for high cost health plans beginning in 2018. A margin to reflect the impact of the excise tax in future years is reflected in the assumed trend. The following table shows the assumed rate increases in future years for Medical premiums.

Calendar Year	County Plans * Pre 65	Calendar Year	PEMHCA Plans Pre 65	Calendar Year	All Plans * Post 65
2014	6.50%	2014	7.00%	2014	7.25%
2015	5.25%	2015	5.75%	2015	6.00%
2016	5.75%	2016	6.25%	2016	6.50%
2017	6.50%	2017 – 2018	6.75%	2017 – 2025	6.00%
2018 – 2020	5.75%	2019	7.00%	2026 – 2032	5.75%
2021 – 2023	6.50%	2020 – 2022	7.25%	2033	6.00%
2024 – 2028	6.25%	2023 – 2024	7.00%	2034	6.75%
2029	6.50%	2025 – 2029	6.75%	2035	6.50%
2030 – 2035	6.25%	2030 – 2033	6.50%	2036 – 2042	6.25%
2036	6.00%	2034 – 2036	6.25%	2043 – 2045	6.00%
2037 – 2040	5.75%	2037 – 2038	6.00%	2046 – 2051	5.75%
2041 – 2048	5.50%	2039 – 2043	5.75%	2052 – 2059	5.50%
2049 – 2063	5.25%	2044 – 2050	5.50%	2060 – 2070	5.25%
2064 – 2074	5.00%	2051 – 2061	5.25%	2071 – 2076	5.00%
2075 – 2079	4.75%	2062 – 2074	5.00%	2077 – 2081	4.75%
2080 +	4.50%	2075 – 2079	4.75%	2082 +	4.50%
		2080 +	4.50%		

* *For Contra Costa Health Plan A and B, actual increase from calendar year 2014 to 2015 was used.*

Dental Cost We assumed Dental costs will increase 4.0% annually.

Appendix C. Summary of Participant Data

The following census of participants was used in the actuarial valuation and provided by Contra Costa County.

Active Employees

Age	General	Safety	Total
Under 25	44	10	54
25 – 29	377	124	501
30 – 34	732	168	900
35 – 39	838	203	1,041
40 – 44	883	236	1,119
45 – 49	1,043	226	1,269
50 – 54	1,148	85	1,233
55 – 59	997	34	1,031
60 – 64	663	17	680
65 & Over	257	4	261
Total	6,982	1,107	8,089

Average Age at Hire:	45.93
Average Age on Valuation Date:	10.31

Current Retirees

Age	General	Safety	Total
Under 50	22	69	91
50 – 54	104	146	250
55 – 59	390	163	553
60 – 64	821	211	1,032
65 – 69	1,155	255	1,410
70 – 74	869	125	994
75 – 79	619	86	705
80 – 84	444	72	516
85 & Over	595	60	655
Total	5,019	1,187	6,206

Average Age on Valuation Date:	69.92

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November 10, 2015

Ms. Lisa Driscoll
County Finance Director
County Administrator's Office
651 Pine Street, 10th Floor
Martinez, CA 94553

Contra Costa County Retiree Health Plan
Analysis of Proposed Retiree Health Benefit Change for United Chief Officers' Association (UCOA) for the Contra Costa County Fire Protection District

Dear Ms. Driscoll:

As requested, we have estimated the cost impact of a proposed change to retiree health benefits for the United Chief Officers' Association (UCOA). The proposed benefit change would apply to all UCOA employees and retirees for the Contra Costa County Fire Protection District ("District"). The purpose of this analysis is to estimate the change in the County's long-term other postemployment liability under GASB 45 (comparison of the present value of benefits, actuarial accrued liability, normal cost, annual required contribution, and projected benefit payments is shown before and after the proposed change) to comply with California Government Code Section 7507.

Current Plan

Currently, for eligible Fire Management retirees represented by United Chief Officers Association (UCOA) with bargaining unit code HA, the District will subsidize an amount equal to 80% of the CalPERS Kaiser Bay Area premium at each coverage level (employee only, employee + one, employee + two or more) for any region in which the retiree resides, but the District's subsidy will not exceed the total premium of a lower cost plan.

For retirees enrolled in a health plan from CalPERS, the District will subsidize 78% of the monthly dental premium.

For retirees who elect dental coverage without medical coverage, the District will subsidize an amount toward the monthly dental premium such that the retiree will pay one cent ($0.01) per month for such coverage.

Proposed Plan

District Premium Subsidy on or after December 1, 2016: For the plan year that begins on January 1, 2017 and each calendar year thereafter, the maximum monthly premium subsidy the District will pay for each health plan is equal to the actual dollar monthly premium subsidy that is paid by the District for that plan as of November 30, 2016. In addition, if there is an increase in the monthly premium charged by a health plan for 2017, the District and the employee will each pay fifty percent (50%) of that increase. For each plan year thereafter, and for each plan, the District and the employee will each pay fifty (50%) of the monthly premium increase above the 2016 plan premiums.

For eligible retirees from bargaining unit HA enrolled in both a medical and dental plan, for the plan year that begins on January 1, 2016, the District will pay a monthly premium subsidy for each dental plan that is equal to the actual dollar monthly premium subsidy that is paid by the District as of November 30, 2015. In addition, if there is an increase in the monthly premium charged by a dental plan for 2016, the District and the employee will each pay fifty percent (50%) of that increase. For each plan year thereafter, the District and the employee will each pay fifty percent (50%) of the monthly premium increase above the 2015 plan premium.

For eligible retirees from bargaining unit HA enrolled in a dental plan only without health coverage, beginning on January 1, 2016, the District will pay a monthly dental premium subsidy for each dental plan that is equal to the actual dollar monthly premium subsidy that is paid by the District for 2015. If there is an increase in the premium charged by a dental plan for 2016, the District and the employee will each pay fifty percent (50%) of the increase. For each plan year thereafter, the District and the employee will each pay fifty percent (50%) of the premium increase that is above the 2015 plan premium.

Results

The results are estimated as of January 1, 2016. The estimated costs are based on valuation results as of January 1, 2014, projected to January 1, 2016, and reflect actual health premiums for 2016. Only the liabilities for active and retired UCOA members are shown in the comparison below.

	Current Plan Est. at 1/1/2016	Proposal Plan Est. at 1/1/2016	Difference
Present Value of Benefits			
Active Employees	$2,102,000	$1,714,000	($388,000)
Retirees	$5,840,000	$5,012,000	($828,000)
Total	$7,942,000	$6,726,000	($1,216,000)
Actuarial Accrued Liability			
Active Employees	$1,605,000	$1,320,000	($285,000)
Retirees	$5,840,000	$5,012,000	($828,000)
Total	$7,445,000	$6,332,000	($1,113,000)
Normal Cost Est. at June 30, 2016	$70,000	$57,000	($13,000)
Annual Required Contribution (ARC) Est. at 6/30/16	$642,000	$541,000	($101,000)

The items shown in the table above are defined as follows:

The **Present Value of Benefits** is the present value of projected benefits (projected claims less retiree contributions) discounted at the valuation interest rate (5.70%).

The **Actuarial Accrued Liability (AAL)** is the present value of benefits that are attributed to past service only. The portion attributed to future employee service is excluded. For retirees, this is equal to the present value of benefits. For active employees, this is equal to the present value of benefits prorated by service to date over service at the expected retirement age.

The **Normal Cost** is that portion of the District provided benefit attributable to employee service in the current year. Employees are assumed to have an equal portion of the present value of benefits attributed to each year of service from date of hire to expected retirement age.

The **Annual Required Contribution (ARC)** is equal to the Normal Cost plus an amount to amortize the unfunded AAL as a level dollar amount over a period of 30 years on a "closed" basis starting January 1, 2008. There are 22 years remaining as of January 1, 2016.

The table below contains a 20 year projection of projected benefit payments under the current and proposed benefit plans for UCOA members. The projected benefit payments are net of required retiree contributions, but include the value of the implicit premium rate subsidy for non-Medicare retirees for whom the same premium rate is charged as for actives. The estimated projected benefit payments are based on employees and retirees as of the valuation date. Future employees are not reflected in the table below.

Calendar	Projected Benefit Payments		
Year	Current Plan	Proposed Plan	Difference
2016	$ 356,000	$ 356,000	0
2017	389,000	382,000	(7,000)
2018	378,000	366,000	(12,000)
2019	415,000	396,000	(19,000)
2020	436,000	409,000	(27,000)
2021	467,000	432,000	(35,000)
2022	490,000	448,000	(42,000)
2023	500,000	450,000	(50,000)
2024	534,000	474,000	(60,000)
2025	563,000	495,000	(68,000)
2026	563,000	488,000	(75,000)
2027	590,000	507,000	(83,000)
2028	557,000	473,000	(84,000)
2029	551,000	463,000	(88,000)
2030	564,000	469,000	(95,000)
2031	529,000	433,000	(96,000)
2032	569,000	464,000	(105,000)
2033	540,000	435,000	(105,000)
2034	549,000	437,000	(112,000)
2035	508,000	396,000	(112,000)

Important Notes

Except where noted above, the results in this letter are based on the same data, methods, assumptions, and plan provisions that are used in the January 1, 2014, actuarial valuation report for the Contra Costa County ("County"), dated August 8, 2014. Appendices A through C contain a description of the current provisions assumptions and data used in the valuation report for UCOA employees and retirees.

In preparing our report, we relied, without audit, on information (some oral and some in writing) supplied by Contra Costa County's staff. This information includes but not limited to employee census data, financial information and plan provisions. While Milliman has not audited the financial and census data, they have been reviewed for reasonableness and are, in our opinion, sufficient and reliable for the purposes of our calculations. If any of this information as summarized in this report is inaccurate or incomplete, the results shown could be materially affected and this report may need to be revised.

All costs, liabilities, rates of interest, and other factors for the County have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of the County and reasonable expectations); and which, in combination, offer our best estimate of anticipated experience affecting the County. Further, in our opinion, each actuarial assumption used is reasonably related to the experience of the Plan and to reasonable expectations which, in combination, represent our best estimate of anticipated experience for the County.

This analysis is only an estimate of the Plan's financial condition as of a single date. It can neither predict the Plan's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of County contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement.

The estimates as of January 1, 2016, are based on actual health plan premiums for 2016, but are based on census data and assumptions specified in the January 1, 2014, actuarial valuation. The actual valuation results for UCOA as of January 1, 2016, will differ based on changes in census data form 2014 and assumptions that will be established for the 2016 actuarial valuation. Furthermore, future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements. The County has the final decision regarding the appropriateness of the assumptions and actuarial cost methods.

This letter is prepared solely for the internal business use of Contra Costa County. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions:

a) Contra Costa County may provide a copy of Milliman's work, in its entirety, to the County's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the County.

b) Contra Costa County may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

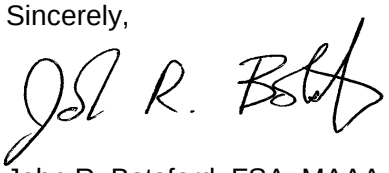
No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuary is independent of the plan sponsor. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, the report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the applicable Actuarial Standards of Practice of the American Academy of Actuaries. The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Sincerely,



John R. Botsford, FSA, MAAA
Principal and Consulting Actuary

JRB:dy
enc.

Appendix A. Summary of Benefits under Current Plan before Proposed Changes

The following description of retiree health benefits is intended to be only a brief summary and is not complete information.

Eligibility

Currently, employees may receive retiree health benefits if they retire from the County, are receiving a pension, and meet certain eligibility requirements as follows:

Safety employees - age 50 with 10 years of pension service or age 70 with a vested pension, or after 20 years of pension service with no age requirement.

Health Benefits

Currently, eligible retirees and their dependents are covered under the health plans sponsored by CalPERS (PEMHCA). The County will subsidize an amount equal to 80% of the CalPERS Kaiser premium at each coverage level (employee only, employee + one, employee + two or more) for the region in which the retiree resides, but the County's subsidy will not exceed the total premium of a lower cost plan.

For retirees enrolled in a health plan from CalPERS, the County will subsidize 78% of the monthly dental premium.

For retirees who elect dental coverage without medical coverage, the County will subsidize an amount toward the monthly dental premium such that the retiree will pay one cent ($0.01) per month for such coverage.

All surviving spouses receive the same County subsidy as the retiree.

PEMHCA Health Plan Premium Rates

Eligible retirees can choose to enroll in health plans sponsored by CalPERS based on their residence region (Bay Area, Sacramento, Los Angeles, Northern California, Southern California and Out of State of California). The following table shows the monthly Bay Area retiree health insurance premiums for the 2015 and 2016 calendar years:

	Monthly Premium Rates – Effective January 1, 2015					
	Single		2-Party		Family	
	Under 65	Over 65	Under 65	Over 65	Under 65	Over 65
Anthem HMO Select	$ 662.41	$ 445.38	$ 1,324.82	$ 890.76	$ 1,722.27	$ 1,336.14
Anthem HMO Traditional	827.57	445.38	1,655.14	890.76	2,151.68	1,336.14
Blue Shield	928.87	352.63	1,857.74	705.26	2,415.06	1,057.89
Blue Shield NetValue	870.60	352.63	1,741.20	705.26	2,263.56	1,057.89
Kaiser	714.45	295.51	1,428.90	591.02	1,857.57	886.53
PERS Choice	700.84	339.47	1,401.68	678.94	1,822.18	1,018.41
PERS Select	690.43	339.47	1,380.86	678.94	1,795.12	1,018.41
PERSCare	775.08	368.76	1,550.16	737.52	2,015.21	1,106.28
United Healthcare	850.67	267.41	1,701.34	534.82	2,211.74	802.23
CCHP	772.95	660.92	1,545.91	1,321.84	2,009.68	1,982.76

Effective January 1, 2016, CalPERS will no longer offer Medicare Advantage plans offered by Anthem and Blue Shield and will add a Health Net option for non-Medicare retirees only.

	Monthly Premium Rates – Effective January 1, 2016					
	Single		2-Party		Family	
	Under 65	Over 65	Under 65	Over 65	Under 65	Over 65
Anthem HMO Select	$ 721.79	N/A	$ 1,443.58	N/A	$ 1,876.65	N/A
Anthem HMO Traditional	855.42	N/A	1,710.84	N/A	2,224.09	N/A
Blue Shield	1,016.18	N/A	2,032.36	N/A	2,642.07	N/A
Blue Shield NetValue	1,033.86	N/A	2,067.72	N/A	2,688.04	N/A
HealthNet SmartCare	808.44	N/A	1,616.88	N/A	2,101.94	N/A
Kaiser	746.47	297.23	1,492.94	594.46	1,940.82	891.69
PERS Choice	798.36	366.38	1,596.72	732.76	2,075.74	1099.14
PERS Select	730.07	366.38	1,460.14	732.76	1,898.18	1099.14
PERSCare	889.27	408.04	1,778.54	816.08	2,312.10	1224.12
United Healthcare	955.44	320.98	1,910.88	641.96	2,484.14	962.94
CCHP *	N/A	N/A	N/A	N/A	N/A	N/A

* Not available for 2016, as of January 1, 2014 no UCOA employees and retirees were enrolled in this plan.

Dental Plan Premiums

The following table shows monthly retiree dental insurance premiums for the 2016 calendar year. County subsidies vary based on retiree's medical plan enrollment election and bargaining unit upon retirement.

Plan	Monthly Premiums
Delta Dental - $1,600 Annual Maximum	
Retiree	$ 42.45
Family	95.63
Delta Care (PMI)	
Retiree	$ 29.06
Family	62.81

Appendix B. Actuarial Cost Method and Assumptions

The actuarial cost method used for determining the benefit obligations is the Projected Unit Credit Cost Method. Under this method, the actuarial present value of projected benefits is the value of benefits expected to be paid for current actives and eligible retirees and is calculated based on the assumptions and census data described in this report.

The Actuarial Accrued Liability (AAL) is the actuarial present value of benefits attributed to employee service rendered prior to the valuation date. The AAL equals the present value of benefits multiplied by a fraction equal to service to date over service at expected retirement. The Normal Cost is the actuarial present value of benefits attributed to one year of service. This equals the present value of benefits divided by service at expected retirement. Since retirees are not accruing any more service, their normal cost is zero. The actuarial value of assets is equal to the market value of assets as of the valuation date.

In determining the Annual Required Contribution, the Unfunded AAL is amortized as a level dollar amount over 30 years on a "closed" basis. There are 22 years remaining in the amortization period as of January 1, 2016. The actuarial assumptions are summarized below.

Economic Assumptions

Discount Rate (Liabilities) 5.70%

We have used a discount rate of 5.70% in this valuation to reflect the County's current policy of partially funding its OPEB liabilities. This rate is derived based on the fund's investment policy, level of partial funding, and includes a 2.50% long-term inflation assumption. County OPEB Irrevocable Trust assets are invested in the Public Agency Retirement Services' Highmark Portfolio. Based on the portfolio's target allocation (shown below), the average return of Trust assets over the next 30 years is expected to be 6.25%, which would be an appropriate discount rate if the County's annual contribution is equal to the ARC. If the County were to elect not to fund any amount to a Trust, the discount rate would be based on the expected return of the County's general fund (we have assumed a long term return of 3.50% for the County's general fund). Since the County is partially funding the Trust with a contribution of $20 million per year, we used a blended discount rate of 5.70%.

Asset Class	Expected 1-Year Nominal Return	Targeted Asset Allocation
Domestic Equity Large Cap	8.14%	17.0%
Domestic Equity Mid Cap	8.92%	6.0%
Domestic Equity Small Cap	9.90%	8.0%
U.S. Fixed Income	4.69%	38.0%
International / Global Equity (Developed)	8.56%	16.0%
Real Estate	8.12%	4.0%
Cash	3.01%	1.0%
Alternatives	5.71%	10.0%
Expected Geometric Median Annual Return (30 years)		6.25%

Demographic Assumptions

Below is a summary of the assumed rates for mortality, retirement, disability and withdrawal, which are consistent with assumptions used in the December 31, 2012 CCCERA Actuarial Valuation.

Pre / Post Retirement Mortality

Healthy: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set back two years.

Disabled: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set forward three years.

Beneficiaries: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set back one year.

Disability

Age	UCOA
20	0.02%
25	0.22%
30	0.42%
35	0.56%
40	0.66%
45	0.94%
50	2.54%

Withdrawal – Sample probabilities of terminating employment with the County are shown below for selected years of County service.

Years of Service	UCOA
Less than 1	11.50%
1	6.50%
2	5.00%
3	4.00%
4	3.50%
5	3.00%
10	1.90%
15	1.40%
20 or more	1.00%

Retirement – For this report, we have applied the following retirement rates.

Age	UCOA	Age	UCOA
45	2%	60	40%
46	2%	61	40%
47	7%	62	40%
48	7%	63	40%
49	20%	64	40%
50	25%	65	100%
51	25%	66	100%
52	25%	67	100%
53	25%	68	100%
54	25%	69	100%
55	30%	70	100%
56	25%	72	100%
57	25%	73	100%
58	35%	74	100%
59	35%	75	100%

Coverage Election Assumptions

Retiree Coverage – We have assumed 90% of new retirees will elect medical and dental coverage at retirement.

Spouse Coverage – We have assumed 50% of new retirees electing coverage will elect spouse medical and dental coverage at retirement.

Spouse Age – Female spouses are assumed to be three years younger than male spouses.

Dependent Coverage – We have assumed 30% of retirees with no spouse coverage will elect coverage for a dependent child until age 65, and 50% of retirees with spouse coverage will elect coverage for a dependent child until age 65.

Health Plan Election – We have assumed that new retirees will remain enrolled in the same plan they were enrolled in as actives. For actives who waived coverage, we have assumed that they will elect Kaiser plan coverage.

Valuation of Retiree Premium Subsidy Due to Active Health Costs

The California PERS (PEMHCA) health plans charge the same premiums for retirees who are not yet eligible for Medicare as for active employees. Therefore, the retiree premium rates are being subsidized by the inclusion of active lives in setting rates. (Premiums calculated only based on retiree health claims experience would have resulted in higher retiree premiums.) GASB 45 requires that the value of this subsidy be recognized as a liability in valuations of OPEB costs. To account for the fact that per member health costs vary depending on age (higher health costs at older ages), we calculated equivalent per member per month (PMPM) costs that vary by age based on the age distribution of covered members, and based on relative cost factors by age. The relative cost factors were developed from the Milliman Health Cost Guidelines™. Based on the carrier premium rates and relative age cost factors assumptions, we developed age adjusted monthly PMPM health costs for 2014 to be used in valuing the implicit rate subsidy. The following tables show the age adjusted expected monthly claims cost for a male participant at age 64 for each health plan and relative age factors compared to a male age 64.

Plan	Monthly Age Adjusted Claims Cost for Age 64 Male	Dependent Child Cost Load
California PERS Plans (average)	$ 1,100	$ 219

Relative Claims Cost Factor Compared to Male age 64

Age	Male	Female
50	0.458	0.572
55	0.604	0.668
60	0.786	0.789
64	1.000	0.915

Since retirees eligible for Medicare (age 65 and beyond) are enrolled in Medicare supplemental plans, the premiums for retirees with Medicare are determined without regard to active employee claims experience and no such subsidy exists for this group for medical cost.

Medical Cost Inflation Assumption

We assumed future increases to the health costs and premiums are based on the "Getzen" model published by the Society of Actuaries for purposes of evaluating long term medical trend. Under the Patient Protection and Affordable Care Act of 2010, a Federal excise tax will apply for high cost health plans beginning in 2018. A margin to reflect the impact of the excise tax in future years is reflected in the assumed trend. The following table shows the assumed rate increases in future years for Medical premiums.

Calendar Year	Pre 65	Calendar Year	Post 65
2016	6.25%	2016	6.50%
2017 – 2018	6.75%	2017 – 2025	6.00%
2019	7.00%	2026 – 2032	5.75%
2020 – 2022	7.25%	2033	6.00%
2023 – 2024	7.00%	2034	6.75%
2025 – 2029	6.75%	2035	6.50%
2030 – 2033	6.50%	2036 – 2042	6.25%
2034 – 2036	6.25%	2043 – 2045	6.00%
2037 – 2038	6.00%	2046 – 2051	5.75%
2039 – 2043	5.75%	2052 – 2059	5.50%
2044 – 2050	5.50%	2060 – 2070	5.25%
2051 – 2061	5.25%	2071 – 2076	5.00%
2062 – 2074	5.00%	2077 – 2081	4.75%
2075 – 2079	4.75%	2082 +	4.50%
2080 +	4.50%		

Dental Cost We assumed Dental costs will increase 4.0% annually.

Appendix C. Summary of Participant Data

The following census of participants was used in the actuarial valuation and provided by Contra Costa County.

Active Employees

Age	UCOA
Under 25	0
25 – 29	0
30 – 34	0
35 – 39	1
40 – 44	1
45 – 49	6
50 – 54	3
55 – 59	1
60 – 64	0
65 & Over	0
Total	12

Average Age at Hire:	26.17
Average Age on Valuation Date:	48.25

Current Retirees

Age	UCOA
Under 50	0
50 – 54	5
55 – 59	9
60 – 64	7
65 – 69	4
70 – 74	0
75 – 79	0
80 – 84	0
85 & Over	0
Total	25

Average Age on Valuation Date:	59.2

Contra Costa County

To: Contra Costa County Fire Protection District Board of Directors

From: David Twa, County Administrator

Date: December 8, 2015

Subject: Government Code 7507 - Chief Executive Acknowledgement of Future Costs of Benefits - United Chief Officers' Association & UPFF, Local 1230

RECOMMENDATION(S):

ACCEPT written acknowledgment by the County Administrator (Chief Executive Officer) that he understands the current and future costs of the health benefit changes for members of the United Chief Officers' Association and UPFF, Local 1230 and certain persons retired from classifications represented by the United Chief Officers' Association and UPFF, Local 1230, as determined by the County's actuary in the November 10, 2015 and January 9, 2015 Actuarial Reports (Attached).

FISCAL IMPACT:

As shown in the valuations, the result of the health plan changes described herein, if implemented, will create a $22.6 million or 2.85% decrease in the Actuarial Accrued Liability and a $2.5 million or 2.86% decrease in the calculated Annual Required Contribution.

BACKGROUND:

At its meeting on November 17, the Board of Supervisors accepted actuarial valuations of future annual costs of negotiated and proposed changes to Other Post Employment Benefits, as provided by the County Actuary in letters dated November 10, 2015 and January 9, 2015. The Board of Supervisors was informed that Government Code, Section 7507 requires with regard to local legislative boards, that the future costs of changes in retirement benefits or other post employment benefits as determined by the actuary, shall be made public at a public meeting at least two weeks prior to the adoption of any changes in public retirement plan benefits or other post employment benefits. The November 10, 2015 and January 9, 2015 reports fulfilled that requirement.

☑ APPROVE ☐ OTHER

☑ RECOMMENDATION OF CNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/08/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 8, 2015

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

Contact: Lisa Driscoll, County Finance Director, 335-1023

cc: Ann Elliott, Employee Benefits Manager, Jeff Carman, Chief CCCFPD, Harjit S. Nahal, Assistant County Auditor

BACKGROUND: (CONT'D)

>

Government Code, Section 7507 also requires that if the future costs (or savings) of the changes exceed **one-half of 1 percent of the** future annual costs of the existing benefits for the body, an actuary shall be present to provide information as needed at the public meeting at which the adoption of a benefit change shall be considered.

And finally, Section 7507 requires that upon the adoption of any benefit change to which the section applies, the person with responsibilities of a chief executive officer in an entity providing the benefit, however that person is denominated, shall acknowledge in writing that he or she understands the current and future cost of the benefit as determined by the actuary.

As the County Administrator (chief executive officer) and by approving this Board Order, I acknowledge in writing that I understand the current and future cost of the benefit changes presented to you today, as determined by the actuary and contained in the November 10, 2015 and January 9, 2015 letters from Milliman, Inc. (County's actuary).

CONSEQUENCE OF NEGATIVE ACTION:

Delayed implementation of health care rate revisions.

CHILDREN'S IMPACT STATEMENT:

ATTACHMENTS

7507 Report for UCOA dated November 10, 2015

7507 Report for L1230 dated January 9, 2015

650 California Street, 17th Floor
San Francisco, CA 94108-2702
USA

Tel +1 415 403 1333
Fax +1 415 403 1334

milliman.com

November 10, 2015

Ms. Lisa Driscoll
County Finance Director
County Administrator's Office
651 Pine Street, 10th Floor
Martinez, CA 94553

Contra Costa County Retiree Health Plan
Analysis of Proposed Retiree Health Benefit Change for United Chief Officers' Association (UCOA) for the Contra Costa County Fire Protection District

Dear Ms. Driscoll:

As requested, we have estimated the cost impact of a proposed change to retiree health benefits for the United Chief Officers' Association (UCOA). The proposed benefit change would apply to all UCOA employees and retirees for the Contra Costa County Fire Protection District ("District"). The purpose of this analysis is to estimate the change in the County's long-term other postemployment liability under GASB 45 (comparison of the present value of benefits, actuarial accrued liability, normal cost, annual required contribution, and projected benefit payments is shown before and after the proposed change) to comply with California Government Code Section 7507.

Current Plan

Currently, for eligible Fire Management retirees represented by United Chief Officers Association (UCOA) with bargaining unit code HA, the District will subsidize an amount equal to 80% of the CalPERS Kaiser Bay Area premium at each coverage level (employee only, employee + one, employee + two or more) for any region in which the retiree resides, but the District's subsidy will not exceed the total premium of a lower cost plan.

For retirees enrolled in a health plan from CalPERS, the District will subsidize 78% of the monthly dental premium.

For retirees who elect dental coverage without medical coverage, the District will subsidize an amount toward the monthly dental premium such that the retiree will pay one cent ($0.01) per month for such coverage.

Proposed Plan

District Premium Subsidy on or after December 1, 2016: For the plan year that begins on January 1, 2017 and each calendar year thereafter, the maximum monthly premium subsidy the District will pay for each health plan is equal to the actual dollar monthly premium subsidy that is paid by the District for that plan as of November 30, 2016. In addition, if there is an increase in the monthly premium charged by a health plan for 2017, the District and the employee will each pay fifty percent (50%) of that increase. For each plan year thereafter, and for each plan, the District and the employee will each pay fifty (50%) of the monthly premium increase above the 2016 plan premiums.

For eligible retirees from bargaining unit HA enrolled in both a medical and dental plan, for the plan year that begins on January 1, 2016, the District will pay a monthly premium subsidy for each dental plan that is equal to the actual dollar monthly premium subsidy that is paid by the District as of November 30, 2015. In addition, if there is an increase in the monthly premium charged by a dental plan for 2016, the District and the employee will each pay fifty percent (50%) of that increase. For each plan year thereafter, the District and the employee will each pay fifty percent (50%) of the monthly premium increase above the 2015 plan premium.

For eligible retirees from bargaining unit HA enrolled in a dental plan only without health coverage, beginning on January 1, 2016, the District will pay a monthly dental premium subsidy for each dental plan that is equal to the actual dollar monthly premium subsidy that is paid by the District for 2015. If there is an increase in the premium charged by a dental plan for 2016, the District and the employee will each pay fifty percent (50%) of the increase. For each plan year thereafter, the District and the employee will each pay fifty percent (50%) of the premium increase that is above the 2015 plan premium.

Results

The results are estimated as of January 1, 2016. The estimated costs are based on valuation results as of January 1, 2014, projected to January 1, 2016, and reflect actual health premiums for 2016. Only the liabilities for active and retired UCOA members are shown in the comparison below.

	Current Plan Est. at 1/1/2016	Proposal Plan Est. at 1/1/2016	Difference
Present Value of Benefits			
Active Employees	$2,102,000	$1,714,000	($388,000)
Retirees	$5,840,000	$5,012,000	($828,000)
Total	$7,942,000	$6,726,000	($1,216,000)
Actuarial Accrued Liability			
Active Employees	$1,605,000	$1,320,000	($285,000)
Retirees	$5,840,000	$5,012,000	($828,000)
Total	$7,445,000	$6,332,000	($1,113,000)
Normal Cost Est. at June 30, 2016	$70,000	$57,000	($13,000)
Annual Required Contribution (ARC) Est. at 6/30/16	$642,000	$541,000	($101,000)

The items shown in the table above are defined as follows:

The **Present Value of Benefits** is the present value of projected benefits (projected claims less retiree contributions) discounted at the valuation interest rate (5.70%).

The **Actuarial Accrued Liability (AAL)** is the present value of benefits that are attributed to past service only. The portion attributed to future employee service is excluded. For retirees, this is equal to the present value of benefits. For active employees, this is equal to the present value of benefits prorated by service to date over service at the expected retirement age.

The **Normal Cost** is that portion of the District provided benefit attributable to employee service in the current year. Employees are assumed to have an equal portion of the present value of benefits attributed to each year of service from date of hire to expected retirement age.

The **Annual Required Contribution (ARC)** is equal to the Normal Cost plus an amount to amortize the unfunded AAL as a level dollar amount over a period of 30 years on a "closed" basis starting January 1, 2008. There are 22 years remaining as of January 1, 2016.

The table below contains a 20 year projection of projected benefit payments under the current and proposed benefit plans for UCOA members. The projected benefit payments are net of required retiree contributions, but include the value of the implicit premium rate subsidy for non-Medicare retirees for whom the same premium rate is charged as for actives. The estimated projected benefit payments are based on employees and retirees as of the valuation date. Future employees are not reflected in the table below.

Calendar	Projected Benefit Payments		
Year	Current Plan	Proposed Plan	Difference
2016	$ 356,000	$ 356,000	0
2017	389,000	382,000	(7,000)
2018	378,000	366,000	(12,000)
2019	415,000	396,000	(19,000)
2020	436,000	409,000	(27,000)
2021	467,000	432,000	(35,000)
2022	490,000	448,000	(42,000)
2023	500,000	450,000	(50,000)
2024	534,000	474,000	(60,000)
2025	563,000	495,000	(68,000)
2026	563,000	488,000	(75,000)
2027	590,000	507,000	(83,000)
2028	557,000	473,000	(84,000)
2029	551,000	463,000	(88,000)
2030	564,000	469,000	(95,000)
2031	529,000	433,000	(96,000)
2032	569,000	464,000	(105,000)
2033	540,000	435,000	(105,000)
2034	549,000	437,000	(112,000)
2035	508,000	396,000	(112,000)

Important Notes

Except where noted above, the results in this letter are based on the same data, methods, assumptions, and plan provisions that are used in the January 1, 2014, actuarial valuation report for the Contra Costa County ("County"), dated August 8, 2014. Appendices A through C contain a description of the current provisions assumptions and data used in the valuation report for UCOA employees and retirees.

In preparing our report, we relied, without audit, on information (some oral and some in writing) supplied by Contra Costa County's staff. This information includes but not limited to employee census data, financial information and plan provisions. While Milliman has not audited the financial and census data, they have been reviewed for reasonableness and are, in our opinion, sufficient and reliable for the purposes of our calculations. If any of this information as summarized in this report is inaccurate or incomplete, the results shown could be materially affected and this report may need to be revised.

All costs, liabilities, rates of interest, and other factors for the County have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of the County and reasonable expectations); and which, in combination, offer our best estimate of anticipated experience affecting the County. Further, in our opinion, each actuarial assumption used is reasonably related to the experience of the Plan and to reasonable expectations which, in combination, represent our best estimate of anticipated experience for the County.

This analysis is only an estimate of the Plan's financial condition as of a single date. It can neither predict the Plan's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of County contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement.

The estimates as of January 1, 2016, are based on actual health plan premiums for 2016, but are based on census data and assumptions specified in the January 1, 2014, actuarial valuation. The actual valuation results for UCOA as of January 1, 2016, will differ based on changes in census data form 2014 and assumptions that will be established for the 2016 actuarial valuation. Furthermore, future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements. The County has the final decision regarding the appropriateness of the assumptions and actuarial cost methods.

This letter is prepared solely for the internal business use of Contra Costa County. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions:

a) Contra Costa County may provide a copy of Milliman's work, in its entirety, to the County's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the County.

b) Contra Costa County may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

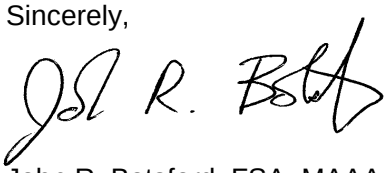
No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuary is independent of the plan sponsor. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, the report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the applicable Actuarial Standards of Practice of the American Academy of Actuaries. The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Sincerely,



John R. Botsford, FSA, MAAA
Principal and Consulting Actuary

JRB:dy
enc.

Appendix A. Summary of Benefits under Current Plan before Proposed Changes

The following description of retiree health benefits is intended to be only a brief summary and is not complete information.

Eligibility

Currently, employees may receive retiree health benefits if they retire from the County, are receiving a pension, and meet certain eligibility requirements as follows:

Safety employees - age 50 with 10 years of pension service or age 70 with a vested pension, or after 20 years of pension service with no age requirement.

Health Benefits

Currently, eligible retirees and their dependents are covered under the health plans sponsored by CalPERS (PEMHCA). The County will subsidize an amount equal to 80% of the CalPERS Kaiser premium at each coverage level (employee only, employee + one, employee + two or more) for the region in which the retiree resides, but the County's subsidy will not exceed the total premium of a lower cost plan.

For retirees enrolled in a health plan from CalPERS, the County will subsidize 78% of the monthly dental premium.

For retirees who elect dental coverage without medical coverage, the County will subsidize an amount toward the monthly dental premium such that the retiree will pay one cent ($0.01) per month for such coverage.

All surviving spouses receive the same County subsidy as the retiree.

PEMHCA Health Plan Premium Rates

Eligible retirees can choose to enroll in health plans sponsored by CalPERS based on their residence region (Bay Area, Sacramento, Los Angeles, Northern California, Southern California and Out of State of California). The following table shows the monthly Bay Area retiree health insurance premiums for the 2015 and 2016 calendar years:

	Monthly Premium Rates – Effective January 1, 2015					
	Single		2-Party		Family	
	Under 65	Over 65	Under 65	Over 65	Under 65	Over 65
Anthem HMO Select	$ 662.41	$ 445.38	$ 1,324.82	$ 890.76	$ 1,722.27	$ 1,336.14
Anthem HMO Traditional	827.57	445.38	1,655.14	890.76	2,151.68	1,336.14
Blue Shield	928.87	352.63	1,857.74	705.26	2,415.06	1,057.89
Blue Shield NetValue	870.60	352.63	1,741.20	705.26	2,263.56	1,057.89
Kaiser	714.45	295.51	1,428.90	591.02	1,857.57	886.53
PERS Choice	700.84	339.47	1,401.68	678.94	1,822.18	1,018.41
PERS Select	690.43	339.47	1,380.86	678.94	1,795.12	1,018.41
PERSCare	775.08	368.76	1,550.16	737.52	2,015.21	1,106.28
United Healthcare	850.67	267.41	1,701.34	534.82	2,211.74	802.23
CCHP	772.95	660.92	1,545.91	1,321.84	2,009.68	1,982.76

Effective January 1, 2016, CalPERS will no longer offer Medicare Advantage plans offered by Anthem and Blue Shield and will add a Health Net option for non-Medicare retirees only.

	Monthly Premium Rates – Effective January 1, 2016					
	Single		2-Party		Family	
	Under 65	Over 65	Under 65	Over 65	Under 65	Over 65
Anthem HMO Select	$ 721.79	N/A	$ 1,443.58	N/A	$ 1,876.65	N/A
Anthem HMO Traditional	855.42	N/A	1,710.84	N/A	2,224.09	N/A
Blue Shield	1,016.18	N/A	2,032.36	N/A	2,642.07	N/A
Blue Shield NetValue	1,033.86	N/A	2,067.72	N/A	2,688.04	N/A
HealthNet SmartCare	808.44	N/A	1,616.88	N/A	2,101.94	N/A
Kaiser	746.47	297.23	1,492.94	594.46	1,940.82	891.69
PERS Choice	798.36	366.38	1,596.72	732.76	2,075.74	1099.14
PERS Select	730.07	366.38	1,460.14	732.76	1,898.18	1099.14
PERSCare	889.27	408.04	1,778.54	816.08	2,312.10	1224.12
United Healthcare	955.44	320.98	1,910.88	641.96	2,484.14	962.94
CCHP *	N/A	N/A	N/A	N/A	N/A	N/A

* Not available for 2016, as of January 1, 2014 no UCOA employees and retirees were enrolled in this plan.

Dental Plan Premiums

The following table shows monthly retiree dental insurance premiums for the 2016 calendar year. County subsidies vary based on retiree's medical plan enrollment election and bargaining unit upon retirement.

Plan	Monthly Premiums
Delta Dental - $1,600 Annual Maximum	
Retiree	$ 42.45
Family	95.63
Delta Care (PMI)	
Retiree	$ 29.06
Family	62.81

Appendix B. Actuarial Cost Method and Assumptions

The actuarial cost method used for determining the benefit obligations is the Projected Unit Credit Cost Method. Under this method, the actuarial present value of projected benefits is the value of benefits expected to be paid for current actives and eligible retirees and is calculated based on the assumptions and census data described in this report.

The Actuarial Accrued Liability (AAL) is the actuarial present value of benefits attributed to employee service rendered prior to the valuation date. The AAL equals the present value of benefits multiplied by a fraction equal to service to date over service at expected retirement. The Normal Cost is the actuarial present value of benefits attributed to one year of service. This equals the present value of benefits divided by service at expected retirement. Since retirees are not accruing any more service, their normal cost is zero. The actuarial value of assets is equal to the market value of assets as of the valuation date.

In determining the Annual Required Contribution, the Unfunded AAL is amortized as a level dollar amount over 30 years on a "closed" basis. There are 22 years remaining in the amortization period as of January 1, 2016. The actuarial assumptions are summarized below.

Economic Assumptions

Discount Rate (Liabilities) 5.70%

We have used a discount rate of 5.70% in this valuation to reflect the County's current policy of partially funding its OPEB liabilities. This rate is derived based on the fund's investment policy, level of partial funding, and includes a 2.50% long-term inflation assumption. County OPEB Irrevocable Trust assets are invested in the Public Agency Retirement Services' Highmark Portfolio. Based on the portfolio's target allocation (shown below), the average return of Trust assets over the next 30 years is expected to be 6.25%, which would be an appropriate discount rate if the County's annual contribution is equal to the ARC. If the County were to elect not to fund any amount to a Trust, the discount rate would be based on the expected return of the County's general fund (we have assumed a long term return of 3.50% for the County's general fund). Since the County is partially funding the Trust with a contribution of $20 million per year, we used a blended discount rate of 5.70%.

Asset Class	Expected 1-Year Nominal Return	Targeted Asset Allocation
Domestic Equity Large Cap	8.14%	17.0%
Domestic Equity Mid Cap	8.92%	6.0%
Domestic Equity Small Cap	9.90%	8.0%
U.S. Fixed Income	4.69%	38.0%
International / Global Equity (Developed)	8.56%	16.0%
Real Estate	8.12%	4.0%
Cash	3.01%	1.0%
Alternatives	5.71%	10.0%
Expected Geometric Median Annual Return (30 years)		6.25%

Demographic Assumptions

Below is a summary of the assumed rates for mortality, retirement, disability and withdrawal, which are consistent with assumptions used in the December 31, 2012 CCCERA Actuarial Valuation.

Pre / Post Retirement Mortality

Healthy: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set back two years.

Disabled: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set forward three years.

Beneficiaries: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set back one year.

Disability

Age	UCOA
20	0.02%
25	0.22%
30	0.42%
35	0.56%
40	0.66%
45	0.94%
50	2.54%

Withdrawal – Sample probabilities of terminating employment with the County are shown below for selected years of County service.

Years of Service	UCOA
Less than 1	11.50%
1	6.50%
2	5.00%
3	4.00%
4	3.50%
5	3.00%
10	1.90%
15	1.40%
20 or more	1.00%

Retirement – For this report, we have applied the following retirement rates.

Age	UCOA	Age	UCOA
45	2%	60	40%
46	2%	61	40%
47	7%	62	40%
48	7%	63	40%
49	20%	64	40%
50	25%	65	100%
51	25%	66	100%
52	25%	67	100%
53	25%	68	100%
54	25%	69	100%
55	30%	70	100%
56	25%	72	100%
57	25%	73	100%
58	35%	74	100%
59	35%	75	100%

Coverage Election Assumptions

Retiree Coverage – We have assumed 90% of new retirees will elect medical and dental coverage at retirement.

Spouse Coverage – We have assumed 50% of new retirees electing coverage will elect spouse medical and dental coverage at retirement.

Spouse Age – Female spouses are assumed to be three years younger than male spouses.

Dependent Coverage – We have assumed 30% of retirees with no spouse coverage will elect coverage for a dependent child until age 65, and 50% of retirees with spouse coverage will elect coverage for a dependent child until age 65.

Health Plan Election – We have assumed that new retirees will remain enrolled in the same plan they were enrolled in as actives. For actives who waived coverage, we have assumed that they will elect Kaiser plan coverage.

Valuation of Retiree Premium Subsidy Due to Active Health Costs

The California PERS (PEMHCA) health plans charge the same premiums for retirees who are not yet eligible for Medicare as for active employees. Therefore, the retiree premium rates are being subsidized by the inclusion of active lives in setting rates. (Premiums calculated only based on retiree health claims experience would have resulted in higher retiree premiums.) GASB 45 requires that the value of this subsidy be recognized as a liability in valuations of OPEB costs. To account for the fact that per member health costs vary depending on age (higher health costs at older ages), we calculated equivalent per member per month (PMPM) costs that vary by age based on the age distribution of covered members, and based on relative cost factors by age. The relative cost factors were developed from the Milliman Health Cost Guidelines™. Based on the carrier premium rates and relative age cost factors assumptions, we developed age adjusted monthly PMPM health costs for 2014 to be used in valuing the implicit rate subsidy. The following tables show the age adjusted expected monthly claims cost for a male participant at age 64 for each health plan and relative age factors compared to a male age 64.

Plan	Monthly Age Adjusted Claims Cost for Age 64 Male	Dependent Child Cost Load
California PERS Plans (average)	$ 1,100	$ 219

Relative Claims Cost Factor Compared to Male age 64

Age	Male	Female
50	0.458	0.572
55	0.604	0.668
60	0.786	0.789
64	1.000	0.915

Since retirees eligible for Medicare (age 65 and beyond) are enrolled in Medicare supplemental plans, the premiums for retirees with Medicare are determined without regard to active employee claims experience and no such subsidy exists for this group for medical cost.

Medical Cost Inflation Assumption

We assumed future increases to the health costs and premiums are based on the "Getzen" model published by the Society of Actuaries for purposes of evaluating long term medical trend. Under the Patient Protection and Affordable Care Act of 2010, a Federal excise tax will apply for high cost health plans beginning in 2018. A margin to reflect the impact of the excise tax in future years is reflected in the assumed trend. The following table shows the assumed rate increases in future years for Medical premiums.

Calendar Year	Pre 65	Calendar Year	Post 65
2016	6.25%	2016	6.50%
2017 – 2018	6.75%	2017 – 2025	6.00%
2019	7.00%	2026 – 2032	5.75%
2020 – 2022	7.25%	2033	6.00%
2023 – 2024	7.00%	2034	6.75%
2025 – 2029	6.75%	2035	6.50%
2030 – 2033	6.50%	2036 – 2042	6.25%
2034 – 2036	6.25%	2043 – 2045	6.00%
2037 – 2038	6.00%	2046 – 2051	5.75%
2039 – 2043	5.75%	2052 – 2059	5.50%
2044 – 2050	5.50%	2060 – 2070	5.25%
2051 – 2061	5.25%	2071 – 2076	5.00%
2062 – 2074	5.00%	2077 – 2081	4.75%
2075 – 2079	4.75%	2082 +	4.50%
2080 +	4.50%		

Dental Cost We assumed Dental costs will increase 4.0% annually.

Appendix C. Summary of Participant Data

The following census of participants was used in the actuarial valuation and provided by Contra Costa County.

Active Employees

Age	UCOA
Under 25	0
25 – 29	0
30 – 34	0
35 – 39	1
40 – 44	1
45 – 49	6
50 – 54	3
55 – 59	1
60 – 64	0
65 & Over	0
Total	12

Average Age at Hire:	26.17
Average Age on Valuation Date:	48.25

Current Retirees

Age	UCOA
Under 50	0
50 – 54	5
55 – 59	9
60 – 64	7
65 – 69	4
70 – 74	0
75 – 79	0
80 – 84	0
85 & Over	0
Total	25

Average Age on Valuation Date:	59.2

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January 9, 2015

Ms. Lisa Driscoll
County Finance Director
County Administrator's Office
651 Pine Street, 10th Floor
Martinez, CA 94553

Contra Costa County Retiree Health Plan
Analysis of Proposed Retiree Health Benefit Change for International Association of Firefighters Local 1230 of the Contra Costa County Fire Protection District

Dear Ms. Driscoll:

As requested, we have estimated the cost impact of a proposed change to retiree health benefits for the International Association of Firefighters Local 1230 ("Local 1230"). The proposed benefit change would apply to all Local 1230 employees and retirees for the Contra Costa County Fire Protection District ("District"). The purpose of this analysis is to estimate the change in the District's long-term other postemployment liability under GASB 45 (comparison of the present value of benefits, actuarial accrued liability, normal cost, annual required contribution, and projected benefit payments is shown before and after the proposed change) to comply with California Government Code Section 7507.

Current Plan

Currently, for eligible retirees from bargaining unit 4N, the District will pay a subsidy toward the cost of monthly medical premiums equal to 87% of the CalPERS Bay Area Basic Kaiser premium at each coverage level, but not more than the actual premium, if less.

For retirees enrolled in a health plan from CalPERS, the District will also subsidize an amount equal to 78% of the monthly dental premium. For retirees who elect dental coverage without medical coverage, the District will subsidize an amount toward the monthly dental premium such that the retiree will pay one cent ($0.01) per month for such coverage.

Proposed Plan

District Premium Subsidy on or after January 1, 2016: For 2016 and each calendar year thereafter, the prior year's District subsidy for each medical plan and rate tier will increase by 50% of the actual premium increase in the medical plan and rate tier in which the member is enrolled.

For eligible retirees from bargaining unit 4N enrolled in both a medical and dental plan, the District will pay a subsidy equal to 50% of the cost of monthly dental premiums in 2016 and later. For retirees enrolled only in a dental plan, retirees are required to pay $0.01 per month for dental coverage. For 2016 and later, the required monthly contribution from retirees would increase each year by 50% of the dental premium increase.

Results

	2014 Actuarial Valuation Results		
	Current Plan	Proposed Plan* (Local 1230 Change)	Difference
Present Value of Benefits			
Active Employees	$625,243,000	$607,882,000	($17,361,000)
Retirees	$567,919,000	$554,996,000	($12,923,000)
Total	$1,193,162,000	$1,162,878,000	($30,284,000)
Actuarial Accrued Liability			
Active Employees	$355,929,000	$347,330,000	($8,599,000)
Retirees	$567,919,000	$554,996,000	($12,923,000)
Total	$923,848,000	$902,326,000	($21,522,000)
Assets	$129,426,000	$129,426,000	
Unfunded AAL	$794,422,000	$772,900,000	($21,522,000)
Amortization of UAAL as of June 30, 2014	$59,872,000	$58,250,000	($1,622,000)
Normal Cost as of June 30, 2014	$28,666,000	$27,860,000	($806,000)
Annual Required Contribution (ARC)	$88,538,000	$86,110,000	($2,428,000)

* For comparison purposes, the liabilities associated with the proposed plan change were measured based on the 2014 premiums trended to 2015 using the trend assumption stated in our 2014 actuarial valuation. The actual calendar year 2015 medical and dental premiums may differ from the trended premiums and the liabilities based on actual 2015 premiums may also differ than the amounts shown above.

The items shown in the table above are defined as follows:

The **Present Value of Benefits** is the present value of projected benefits (projected claims less retiree contributions) discounted at the valuation interest rate (5.70%).

The **Actuarial Accrued Liability (AAL)** is the present value of benefits that are attributed to past service only. The portion attributed to future employee service is excluded. For retirees, this is equal to the present value of benefits. For active employees, this is equal to the present value of benefits prorated by service to date over service at the expected retirement age.

The **Normal Cost** is that portion of the District provided benefit attributable to employee service in the current year. Employees are assumed to have an equal portion of the present value of benefits attributed to each year of service from date of hire to expected retirement age.

The **Annual Required Contribution (ARC)** is equal to the Normal Cost plus an amount to amortize the unfunded AAL as a level dollar amount over a period of 30 years on a "closed" basis starting January 1, 2008. There are 24 years remaining as of January 1, 2014.

The table below contains a 25 year projection of projected benefit payments under the current and proposed benefit plans. The projected benefit payments are net of required retiree contributions, but include the value of the implicit premium rate subsidy for non-Medicare retirees for whom the same premium rate is charged as for actives. The projected benefit payments include only employees and retirees as of the valuation date (January 1, 2014). Future employees are not reflected in the table below.

Projected Benefit Payments			
Year	Current Plan	Proposed Plan (Local 1230 Change)	Difference
2014	$54,439,000	$54,439,000	$0
2015	56,181,000	56,181,000	0
2016	58,437,000	58,327,000	(110,000)
2017	61,348,000	61,112,000	(236,000)
2018	63,630,000	63,263,000	(367,000)
2019	66,025,000	65,520,000	(505,000)
2020	68,604,000	67,948,000	(656,000)
2021	70,593,000	69,768,000	(825,000)
2022	72,445,000	71,455,000	(990,000)
2023	74,411,000	73,259,000	(1,152,000)
2024	76,694,000	75,376,000	(1,318,000)
2025	78,735,000	77,233,000	(1,502,000)
2026	80,219,000	78,546,000	(1,673,000)
2027	81,526,000	79,667,000	(1,859,000)
2028	82,231,000	80,193,000	(2,038,000)
2029	82,931,000	80,705,000	(2,226,000)
2030	84,113,000	81,705,000	(2,408,000)
2031	84,428,000	81,848,000	(2,580,000)
2032	84,455,000	81,688,000	(2,767,000)
2033	85,136,000	82,202,000	(2,934,000)
2034	85,151,000	82,068,000	(3,083,000)
2035	84,817,000	81,589,000	(3,228,000)
2036	84,882,000	81,465,000	(3,417,000)
2037	84,839,000	81,301,000	(3,538,000)
2038	84,615,000	80,960,000	(3,655,000)

Important Notes

Except where noted above, the results in this letter are based on the same data, methods, assumptions, and plan provisions that are used in the January 1, 2014, actuarial valuation report for the Contra Costa County ("County"), dated August 8, 2014. Appendices A through C contain a description of the current provisions assumptions and data used in the valuation report.

In preparing our report, we relied, without audit, on information (some oral and some in writing) supplied by Contra Costa County's staff. This information includes but not limited to employee census data, financial information and plan provisions. While Milliman has not audited the financial and census data, they have been reviewed for reasonableness and are, in our opinion, sufficient and reliable for the purposes of our calculations. If any of this information as summarized in this report is inaccurate or incomplete, the results shown could be materially affected and this report may need to be revised.

All costs, liabilities, rates of interest, and other factors for the District have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of the District and reasonable expectations); and which, in combination, offer our best estimate of anticipated experience affecting the District. Further, in our opinion, each actuarial assumption used is reasonably related to the experience of the Plan and to reasonable expectations which, in combination, represent our best estimate of anticipated experience for the District.

This analysis is only an estimate of the Plan's financial condition as of a single date. It can neither predict the Plan's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of District contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements. The District has the final decision regarding the appropriateness of the assumptions and actuarial cost methods.

This letter is prepared solely for the internal business use of Contra Costa County. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions:

a) Contra Costa County may provide a copy of Milliman's work, in its entirety, to the County's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the County.

b) Contra Costa County may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

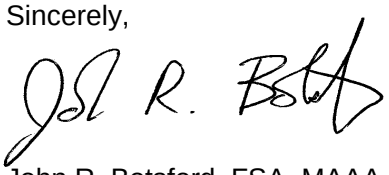
No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

The signing actuary is independent of the plan sponsor. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, the report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the applicable Actuarial Standards of Practice of the American Academy of Actuaries. The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Sincerely,



John R. Botsford, FSA, MAAA
Principal and Consulting Actuary

JRB:dy
enc.

Appendix A. Summary of Benefits under Current Plan before Proposed Changes

The following description of retiree health benefits is intended to be only a brief summary and is not complete information.

Eligibility

Currently, employees may receive retiree health benefits if they retire from the County, are receiving a pension, and meet certain eligibility requirements as follows:

General employees - age 50 with 10 years of pension service or age 70 with a vested pension, or after 30 years of pension service with no age requirement.

Safety employees - age 50 with 10 years of pension service or age 70 with a vested pension, or after 20 years of pension service with no age requirement.

Employees hired after December 31, 2006 and represented by the following bargaining groups (AFSCME, California Nurses Association, Deputy District Attorneys' Association, Public Defenders Association, IFPTE, Western Council of Engineers, SEIU, PEU, Probation Peace Officers Association, and Unrepresented) also must have 15 years of County service.

Employees hired on or after October 1, 2005, and represented by the Physicians' and Dentists' Organization also must have 15 years of County service.

Health Benefits

Currently, eligible retirees and their dependents are covered either under the Contra Costa Health Plans, Health Net plans, Kaiser plans, or health plans sponsored by CalPERS (PEMHCA). Coverage may be provided for a retiree and surviving spouse as long as retiree and surviving spouse monthly premium contributions are paid. The County may pay a subsidy toward eligible retirees' monthly medical and dental premiums. This subsidy may vary by bargaining unit and date of hire as described in this appendix. Employees hired on or after dates described in the table below and represented by the following bargaining groups must pay the entire cost of premiums to maintain coverage.

Bargaining Unit Name	Hire Date on or after which eligible retirees must pay entire cost of premiums
IFPTE, Unrepresented	January 1, 2009
AFSCME, Western Council of Engineers, SEIU, and PEU	January 1, 2010
Deputy District Attorneys Association	December 14, 2010
Probation Peace Officers Association of CCC	January 1, 2011
CCC Public Defenders Association	March 1, 2011

All surviving spouses must pay the entire cost of premiums to maintain coverage, with the exception of the following bargaining groups for whom the surviving spouse receives the same County subsidy as the retiree (covered by CalPERS health plans): A8 (Sheriff). BD (Fire Chief), BS (Sworn Exec. Mgmt.), HA, V#, VH, VN, 4N, BF, and XJ.

Bargaining Units V#, VH, VN, F8 and FW

Currently, for eligible retirees from the bargaining units listed in the table below, the County will contribute toward the cost of monthly premiums (medical and dental) in 2014 an amount equal to the actual dollar monthly premium amount paid by the County as of November 30, 2013, at each coverage level, plus 50% of the actual premium increase for 2014. For premium increases in 2015 and later, the County and retiree will split the increase evenly: the County will pay for 50% of the increase, and the retiree must pay for the other 50% of the increase.

Retirees who elected dental coverage without health coverage will pay one cent ($0.01) per month for 2013, plus 50% of the actual premium increase for 2014. For premium increases in 2015 and later, the County and retiree will split the increase evenly: the County will pay for 50% of the increase, and the retiree must pay for the other 50% of the increase.

Bargaining Unit Code	Bargaining Unit Name	General / Safety
F8	Unrep Classified & Exempt-Othr	General
FW	Unrep Cl & Ex-Sworn Peace Offc	Safety
V#	Sheriff's Sworn Mgmt Unit	Safety
VH	Deputy Sheriff's Unit-Sworn	Safety
VN	Deputy Sheriff's Unit-NonSworn	General

For employees hired between January 2, 2007, and September 30, 2011, and represented by the Deputy Sheriffs' Association, the County subsidy is subject to a vesting schedule as shown in the table below.

Credited Years of Service	Percentage of Employer Contribution
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 or more	100

Bargaining Unit HA – Fire Management

Currently, for eligible Fire Management retirees represented by United Chief Officers Association (UCOA) with bargaining unit code HA, the County will subsidize an amount equal to 80% of the CalPERS Kaiser premium at each coverage level (employee only, employee + one, employee + two or more) for the region in which the retiree resides, but the County's subsidy will not exceed the total premium of a lower cost plan.

For retirees enrolled in a health plan from CalPERS, the County will subsidize 78% of the monthly dental premium.

For retirees who elect dental coverage without medical coverage, the County will subsidize an amount toward the monthly dental premium such that the retiree will pay one cent ($0.01) per month for such coverage.

Bargaining Unit XJ – D.A. Investigators

Currently, for eligible retirees from the bargaining unit XJ, the County will pay a subsidy toward the cost of monthly premiums (medical and dental) in 2014 an amount equal to the actual dollar monthly premium amount paid by the County in 2013, depending on coverage level. For 2014 and later, the County subsidy will increase by 75% of the actual premium increase in Bay Area Kaiser rates.

For retirees enrolled in a health plan from CalPERS, the County will subsidize an amount equal to 78% of the monthly dental premium.

For retirees who elect dental coverage without medical coverage, the County will subsidize an amount toward the monthly dental premium such that the retiree will pay one cent ($0.01) per month for such coverage.

Bargaining Units 1P, 1R, 4N, and L3

Currently, for eligible retirees from the following bargaining units, the County subsidizes a percentage of monthly premiums that varies depending on the medical and dental plan elected. Retirees from certain bargaining units described below also receive reimbursement of their Medicare Part B premiums as long as the total County subsidy does not exceed 100% of the medical plan premium.

Bargaining Unit Code	Bargaining Unit Name	General / Safety	Part B Reimbursement
1P	Physicians and Dentists Unit	General	Yes, stops in 2015
1R	Physicians & Dentists Unit-Residents	General	Yes, stops in 2015
4N	Fire Suppression & Prevention Unit	Safety	No
L3	Registered Nurses Unit	General	If retired on or before 6/30/2012 and age 65 on or before 10/31/2012

Retirees from the above listed units receive the following County subsidy based on the medical plan elected:

Medical Plan	Bargaining Unit	County Subsidy % (Medical)	County Subsidy % (Dental)
Contra Costa Health Plan A and B			
Without Dental	1P, 1R, L3	98%	0%
With Delta Dental	1P, 1R, L3	98%	98%
With PMI Delta Dental	1P, 1R, L3	98%	98%
Kaiser, Health Net HMO			
Without Dental	1P, 1R, L3	80%	0%
With Delta Dental	1P, 1R, L3	80%	78%
With PMI Delta Dental	1P, 1R, L3	80%	78%
Health Net PPO			
Without Dental	1P, 1R, L3	55%*	0%
With Delta Dental	1P, 1R, L3	55%*	78%
With PMI Delta Dental	1P, 1R, L3	55%*	78%
All Medical Plans			
Without Dental	4N	87% of Kaiser	0%
With Dental Plan	4N	87% of Kaiser	78%
Dental Only	All Units Listed Above	0%	All but $0.01 / month

* *Approximately 55% for 2014. Future increases are split evenly between the County and the retiree.*

All other Bargaining Units - County Subsidy Frozen at the 2011 Level

Currently, eligible retirees from the following bargaining units listed receive County subsidies at the same amount agreed upon between the County and the Bargaining Units in 2011 towards the medical and dental premiums with no future increases to this subsidy amount.

Bargaining Unit Code	Bargaining Unit Name	General / Safety	Bargaining Unit Code	Bargaining Unit Name	General / Safety
1X	Phys & Dnts & Optometrist Unit	General	JF	CCC Defenders/Investigators	General
2I*		General	K2	Property Appraisers Unit	General
25	Social Services Unit	General	K5	Court Professional Svcs Unit	General
51	Professional Engineers Unit	General	K6	Supervisory Clerical Unit	General
99	DEFAULT BARGAINING UNIT	General	KK	Income Maintence Program Unit	General
2D	Community Aide Unit	General	KL	Engineering Technician Unit	General
2I	Service Line Supervisors Unit	General	KM	Sheriff's Non-Sworn Mgmt Unit	General
2R	Superior Court Reporters-Ex	General	KU	Probation Supervisors Unit	Safety
3A	Superior Court Clerical Unit	General	KZ	Social Svcs Staff Special Unit	General
3B	Superior Court Barg Unit-Loc1	General	MA	District Attorneys' Unit	General
3G	Deputy Clerks Unit	General	N2	Property Appraisers Unit	General
3R	General Clerical Unit	General	PP	Probation Unit of CCC	Safety
A8	Elected Department Heads	General	QA	Agriculture & Animal Ctrl Unit	General
AJ	Elected Superior Court Judges	General	QB	LVN/Aide Unit	General
AM	Elected Municipal Court Judges	General	QC	Fam/Chld Svs Site Supv Unit	General
AS	Elected Board of Supvs Members	General	QE	Building Trades Unit	General
B8	Mgmt Classes-Classified & Exem	General	QF	Deputy Public Defender Unit/At	General
BA		General	QG	Deputy Public Defender Unit-In	General
BC	Superior Court Exempt Mgmt Gen	General	QH	Family and Children Services	General
BD	Mgmt Classified & Ex Dept Head	General	QM	Engineering Unit	General
BF	Fire District (MS) Safety Mgmt	Safety	QP		General
BH	Superior Ct Exempt Mgmt-DH	General	QS	General Services & Mtce Unit	General
BJ	Sup Ct Judicial Ofcrs Ex-Mgmt	General	QT	Health Services Unit	General
BS	Sheriff's Sworn Executive Mgmt	Safety	QV	Investigative Unit	General
C8	Management Project-Other	General	QW	Legal & Court Clerk Unit	General
CH	CS Head Start Mgmt-Project	General	QX	Library Unit	General
D8	Unrepresented Proj Class-Other	General	QY	Probation Unit	General
F8	Unrep Classified & Exempt-Other	General	S2		General
FC	Unrep Superior Ct Clerical Exempt	General	Z1	Supervisory Project	General
FD	Unrep Superior Ct Other Exempt	General	Z2	Non-Supervisory Project	General
FM	Unrep Muni Ct Reporter-Exempt	General	ZA	Supervisory Management	General
FR	Unrep Superior Ct Reptrs-Exempt	General	ZB	Non-Supervisory Management	General
FS	Unrep Cl & Ex Student Workers	General	ZL	Supervisory Nurse	General
FX	Unrep Exempt Medical Staff	General	ZN	Non-Supervisory Nurse	General
JD	CCC Defenders/Attorneys	General			

* Coded as “21” in census data.

Health Insurance Premium Rates (non-PEMHCA)

The following table shows monthly retiree health insurance premiums for the 2014 calendar year for coverage under various health plans sponsored by Contra Costa County, and the County's subsidies as frozen at the 2011 level for the specified bargaining groups.

Medical Plan	County's Subsidy (Frozen in 2011)	2014 Premium Rate	County's Subsidy for 2014	Retiree's Share for 2014
Contra Costa Health Plan A				
Retiree on Basic Plan	$ 509.92	$ 612.77	$ 509.92	$ 102.85
Retiree & 1 or more dependents on Basic Plan	1,214.90	1,459.96	1,214.90	245.06
Retiree on Medicare Coordination of Benefits (COB) Plan	420.27	279.23	279.22	0.01
Retiree & 1 or more dependents on Medicare COB Plan	1,035.60	1,228.77	1,035.60	193.17
Contra Costa Health Plan B				
Retiree on Basic Plan	528.50	679.27	528.50	150.77
Retiree & 1 or more dependents on Basic Plan	1,255.79	1,614.06	1,255.79	358.27
Retiree on Medicare COB Plan	444.63	287.60	287.59	0.01
Retiree & 1 or more dependents on Medicare COB Plan	1,088.06	1,265.63	1,088.06	177.57
Kaiser Permanente – Plan A				
Retiree on Basic Plan	478.91	768.47	478.91	289.56
Retiree & 1 or more dependents on Basic Plan	1,115.84	1,790.52	1,115.84	674.68
Retiree on Medicare COB Plan	263.94	295.01	263.94	31.07
Retiree & 1 dependent on Medicare COB Plan	712.79	796.71	712.79	83.92
Retiree & 2 dependents on Medicare COB Plan	1,161.65	1,298.41	1,161.65	136.76
Kaiser Permanente – Plan B				
Retiree on Basic Plan	478.91	676.03	478.91	197.12
Retiree & 1 or more dependents on Basic Plan	1,115.84	1,575.17	1,115.84	459.33
Retiree on Medicare COB Plan	263.94	223.69	223.68	0.01
Retiree & 1 dependent on Medicare COB Plan	712.79	603.97	603.96	0.01
Retiree & 2 dependents on Medicare COB Plan	1,161.65	984.25	984.24	0.01
Health Net HMO – Plan A				
Retiree on Basic Plan	627.79	1,067.40	627.79	439.61
Retiree & 1 or more dependents on Basic Plan	1,540.02	2,618.43	1,540.02	1,078.41
Retiree on Medicare Seniority Plus Plan	409.69	514.28	409.69	104.59
Retiree & 1 dependent on Medicare Seniority Plus Plan	819.38	1,028.56	819.38	209.18
Retiree & 2 dependents on Medicare Seniority Plus Plan	1,229.07	1,542.84	1,229.07	313.77
Health Net HMO – Plan B				
Retiree on Basic Plan	627.79	836.04	627.79	208.25
Retiree & 1 or more dependents on Basic Plan	1,540.02	2,050.86	1,540.02	510.84
Retiree on Medicare Seniority Plus Plan	409.69	431.74	409.69	22.05
Retiree & 1 dependent on Medicare Seniority Plus Plan	819.38	863.48	819.38	44.10
Retiree & 2 dependents on Medicare Seniority Plus Plan	1,229.07	1,295.22	1,229.07	66.15

Health Insurance Premium Rates (continued)

Medical Plan	County's Subsidy (Frozen in 2011)	2014 Premium Rate	County's Subsidy for 2014	Retiree's Share for 2014
Health Net Medicare COB				
Retiree only	$ 467.13	$ 573.03	$ 467.13	$ 105.90
Retiree & spouse	934.29	1,146.06	934.29	211.77
Health Net CA & Nat'l PPO – Basic Plan A				
Retiree on PPO	604.60	1,365.43	604.60	760.83
Retiree & 1 or more dependents on PPO Basic Plan	1,436.25	3,243.69	1,436.25	1,807.44
Retiree on PPO Medicare Plan with Medicare Part A & B	563.17	924.22	563.17	361.05
Retiree & 1 or more dependents on PPO Medicare Plan with Medicare Part A & B	1,126.24	1,848.43	1,126.24	722.19
Health Net CA & Nat'l PPO – Basic Plan B				
Retiree on PPO	604.60	1,240.08	604.60	635.48
Retiree & 1 or more dependents on PPO Basic Plan	1,436.25	2,945.89	1,436.25	1,509.64
Retiree on PPO Medicare Plan with Medicare Part A & B	563.17	839.40	563.17	276.23
Retiree & 1 or more dependents on PPO Medicare Plan with Medicare Part A & B	1,126.24	1,678.80	1,126.24	552.5

The following table shows monthly retiree health insurance premiums for the 2015 calendar year for health coverage under Contra Costa Health Plans sponsored by the Contra Costa County.

Medical Plan	County's Subsidy (Frozen in 2011)	2015 Premium Rate	County's Subsidy for 2015	Retiree's Share for 2015
Contra Costa Health Plan A				
Retiree on Basic Plan	$ 509.92	$ 654.44	$ 509.92	$ 144.52
Retiree & 1 or more dependents on Basic Plan	1,214.90	1,559.24	1,214.90	344.34
Retiree on Medicare COB Plan	420.27	301.01	301.00	0.01
Retiree & 1 dependent on Medicare COB Plan	1,035.60	602.02	602.01	0.01
Family, 1 on Medicare COB Plan, and 1 or more on Basic Plan	1,035.60	963.23	963.22	0.01
Contra Costa Health Plan B				
Retiree on Basic Plan	528.50	725.46	528.50	196.75
Retiree & 1 or more dependents on Basic Plan	1,255.79	1,723.82	1,255.79	468.03
Retiree on Medicare COB Plan	444.63	310.03	310.02	0.01
Retiree & 1 dependent on Medicare COB Plan	1,088.06	620.06	620.05	0.01
Family, 1 on Medicare COB Plan, and 1 or more on Basic Plan	1,088.06	992.10	992.09	0.01

PEMHCA Health Plan Premium Rates

Eligible retirees from the bargaining units 4N, A8, B8, BD, BF, BS, F8, FW, HA, V#, VH, VN, and XJ can choose to enroll in health plans sponsored by CalPERS based on their residence region (Bay Area, Sacramento, Los Angeles, Northern California, Southern California and Out of State of California). The following table shows the monthly Bay Area retiree health insurance premiums for the 2014 calendar year:

	Monthly Premium Rates – 2014					
	Single		2-Party		Family	
	Under 65	Over 65	Under 65	Over 65	Under 65	Over 65
Blue Shield	$ 836.59	$ 298.21	$ 1,673.18	$ 596.42	$ 2,175.13	$ 894.63
Blue Shield NetValue	704.01	298.21	1,408.02	596.42	1,830.43	894.63
Kaiser	742.72	294.97	1,485.44	589.94	1,931.07	884.91
PERSCare	720.04	327.36	1,440.08	654.72	1,872.10	982.08
PERS Choice	690.77	307.23	1,381.54	614.46	1,796.00	921.69
PERS Select	661.52	307.23	1,323.04	614.46	1,719.95	921.69
Anthem HMO Select	657.33	341.12	1,314.66	682.24	1,709.06	1,023.36
Anthem HMO Traditional	728.41	341.12	1,456.82	682.24	1,893.87	1,023.36
United Healthcare	764.24	193.33	1,528.48	386.66	1,987.02	579.99
PORAC	634.00	397.00	1,186.00	791.00	1,507.00	1,264.00
CCHP	723.74	618.84	1,281.39	1,071.59	1,674.11	1,359.41

Dental Plan Premiums

The following table shows monthly retiree dental insurance premiums for the 2014 calendar year. County subsidies vary based on retiree's medical plan enrollment election and bargaining unit upon retirement.

Plan	Monthly Premiums
Delta Dental - $1,800 Annual Maximum	
Retiree	$ 44.27
Family	100.00
Delta Dental - $1,600 Annual Maximum	
Retiree	$ 42.45
Family	95.63
Delta Care (PMI)	
Retiree	$ 29.06
Family	62.81

Excluded Bargaining Units – Not Eligible for Plan Participation

Members of the following bargaining units are not eligible for participation in the County's retiree health plan.

Bargaining Unit Code	Bargaining Unit Name	General / Safety
8I	IHSS Public Authority-Mgmt	General
8J	IHSS Public Authority-Non Mgmt	General
8P	Special Co Class Codes-Payroll	General
B9	Mgmt East CCFPD (Non-MS)	Safety

Appendix B. Actuarial Cost Method and Assumptions

The actuarial cost method used for determining the benefit obligations is the Projected Unit Credit Cost Method. Under this method, the actuarial present value of projected benefits is the value of benefits expected to be paid for current actives and eligible retirees and is calculated based on the assumptions and census data described in this report.

The Actuarial Accrued Liability (AAL) is the actuarial present value of benefits attributed to employee service rendered prior to the valuation date. The AAL equals the present value of benefits multiplied by a fraction equal to service to date over service at expected retirement. The Normal Cost is the actuarial present value of benefits attributed to one year of service. This equals the present value of benefits divided by service at expected retirement. Since retirees are not accruing any more service, their normal cost is zero. The actuarial value of assets is equal to the market value of assets as of the valuation date.

In determining the Annual Required Contribution, the Unfunded AAL is amortized as a level dollar amount over 30 years on a "closed" basis. There are 24 years remaining in the amortization period as of January 1, 2014. The actuarial assumptions are summarized below.

Economic Assumptions

Discount Rate (Liabilities) 5.70%

We have used a discount rate of 5.70% in this valuation to reflect the County's current policy of partially funding its OPEB liabilities. This rate is derived based on the fund's investment policy, level of partial funding, and includes a 2.50% long-term inflation assumption. County OPEB Irrevocable Trust assets are invested in the Public Agency Retirement Services' Highmark Portfolio. Based on the portfolio's target allocation (shown below), the average return of Trust assets over the next 30 years is expected to be 6.25%, which would be an appropriate discount rate if the County's annual contribution is equal to the ARC. If the County were to elect not to fund any amount to a Trust, the discount rate would be based on the expected return of the County's general fund (we have assumed a long term return of 3.50% for the County's general fund). Since the County is partially funding the Trust with a contribution of $20 million per year, we used a blended discount rate of 5.70%.

Asset Class	Expected 1-Year Nominal Return	Targeted Asset Allocation
Domestic Equity Large Cap	8.14%	17.0%
Domestic Equity Mid Cap	8.92%	6.0%
Domestic Equity Small Cap	9.90%	8.0%
U.S. Fixed Income	4.69%	38.0%
International / Global Equity (Developed)	8.56%	16.0%
Real Estate	8.12%	4.0%
Cash	3.01%	1.0%
Alternatives	5.71%	10.0%
Expected Geometric Median Annual Return (30 years)		6.25%

Demographic Assumptions

Below is a summary of the assumed rates for mortality, retirement, disability and withdrawal, which are consistent with assumptions used in the December 31, 2012 CCCERA Actuarial Valuation.

Pre / Post Retirement Mortality

Healthy: For General Members: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set back one year.

For Safety Member: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set back two years.

Disabled: For General Members: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set forward six years for males and set forward seven years for females.

For Safety Member: RP-2000 Combined Healthy Mortality Table projected to 2030 with Scale AA, set forward three years.

Beneficiaries: Beneficiaries are assumed to have the same mortality as a General Member of the opposite sex who had taken a service (non-disability) retirement.

Disability

Age	General Tier 3	Safety (All Tiers)
20	0.01%	0.02%
25	0.02%	0.22%
30	0.03%	0.42%
35	0.05%	0.56%
40	0.08%	0.66%
45	0.13%	0.94%
50	0.17%	2.54%

Withdrawal – Sample probabilities of terminating employment with the County are shown below for selected years of County service.

Years of Service	General	Safety
Less than 1	13.50%	11.50%
1	9.00%	6.50%
2	9.00%	5.00%
3	6.00%	4.00%
4	4.50%	3.50%
5	4.00%	3.00%
10	2.75%	1.90%
15	2.10%	1.40%
20 or more	2.00%	1.00%

Retirement – For this valuation, we have applied the Tier 3 rates for all General employees and Tier A rates for all Safety employees since nearly all current employees are in these two pension tiers.

Age	General Tier 3	Safety Tier A	Age	General Tier 3	Safety Tier A
45	0%	2%	60	15%	40%
46	0%	2%	61	20%	40%
47	0%	7%	62	27%	40%
48	0%	7%	63	27%	40%
49	0%	20%	64	30%	40%
50	4%	25%	65	40%	100%
51	3%	25%	66	40%	100%
52	3%	25%	67	40%	100%
53	5%	25%	68	40%	100%
54	5%	25%	69	40%	100%
55	10%	30%	70	40%	100%
56	10%	25%	72	40%	100%
57	10%	25%	73	40%	100%
58	12%	35%	74	40%	100%
59	12%	35%	75	100%	100%

Coverage Election Assumptions

Retiree Coverage – We have assumed 90% of new retirees will elect medical and dental coverage at retirement. For new retirees who were members of certain bargaining units indicated in appendix A and hired after a certain date indicated (eligible retirees must pay entire cost of premium to maintain coverage), we have assumed 50% will elect medical and dental coverage at retirement.

Spouse Coverage – We have assumed 50% of new retirees electing coverage will elect spouse medical and dental coverage at retirement.

Spouse Age – Female spouses are assumed to be three years younger than male spouses.

Dependent Coverage – We have assumed 30% of retirees with no spouse coverage will elect coverage for a dependent child until age 65, and 50% of retirees with spouse coverage will elect coverage for a dependent child until age 65.

Health Plan Election – We have assumed that new retirees will remain enrolled in the same plan they were enrolled in as actives. For actives who waived coverage, we have assumed that they will elect Kaiser plan coverage.

Valuation of Retiree Premium Subsidy Due to Active Health Costs

The County and California PERS (PEMHCA) health plans charge the same premiums for retirees who are not yet eligible for Medicare as for active employees. Therefore, the retiree premium rates are being subsidized by the inclusion of active lives in setting rates. (Premiums calculated only based on retiree health claims experience would have resulted in higher retiree premiums.) GASB 45 requires that the value of this subsidy be recognized as a liability in valuations of OPEB costs. To account for the fact that per member health costs vary depending on age (higher health costs at older ages), we calculated equivalent per member per month (PMPM) costs that vary by age based on the age distribution of covered members, and based on relative cost factors by age. The relative cost factors were developed from the Milliman Health Cost Guidelines™. Based on the carrier premium rates and relative age cost factors assumptions, we developed age adjusted monthly PMPM health costs for 2014 to be used in valuing the implicit rate subsidy. The following tables show the age adjusted expected monthly claims cost for a male participant at age 64 for each health plan and relative age factors compared to a male age 64.

Plan	Monthly Age Adjusted Claims Cost for Age 64 Male	Dependent Child Cost Load
CCHP A	$ 1,164	$ 157
CCHP B	1,431	329
Kaiser A	1,384	246
Kaiser B	1,278	264
Health Net HMO A	1,878	394
Health Net HMO B	1,621	369
Health Net PPO	1,903	316
California PERS Plans (average)	1,100	219

Relative Claims Cost Factor Compared to Male age 64

Age	Male	Female
50	0.458	0.572
55	0.604	0.668
60	0.786	0.789
64	1.000	0.915

Since retirees eligible for Medicare (age 65 and beyond) are enrolled in Medicare supplemental plans, the premiums for retirees with Medicare are determined without regard to active employee claims experience and no such subsidy exists for this group for medical cost.

Medical Cost Inflation Assumption

We assumed future increases to the health costs and premiums are based on the "Getzen" model published by the Society of Actuaries for purposes of evaluating long term medical trend. Under the Patient Protection and Affordable Care Act of 2010, a Federal excise tax will apply for high cost health plans beginning in 2018. A margin to reflect the impact of the excise tax in future years is reflected in the assumed trend. The following table shows the assumed rate increases in future years for Medical premiums.

Calendar Year	County Plans * Pre 65	Calendar Year	PEMHCA Plans Pre 65	Calendar Year	All Plans * Post 65
2014	6.50%	2014	7.00%	2014	7.25%
2015	5.25%	2015	5.75%	2015	6.00%
2016	5.75%	2016	6.25%	2016	6.50%
2017	6.50%	2017 – 2018	6.75%	2017 – 2025	6.00%
2018 – 2020	5.75%	2019	7.00%	2026 – 2032	5.75%
2021 – 2023	6.50%	2020 – 2022	7.25%	2033	6.00%
2024 – 2028	6.25%	2023 – 2024	7.00%	2034	6.75%
2029	6.50%	2025 – 2029	6.75%	2035	6.50%
2030 – 2035	6.25%	2030 – 2033	6.50%	2036 – 2042	6.25%
2036	6.00%	2034 – 2036	6.25%	2043 – 2045	6.00%
2037 – 2040	5.75%	2037 – 2038	6.00%	2046 – 2051	5.75%
2041 – 2048	5.50%	2039 – 2043	5.75%	2052 – 2059	5.50%
2049 – 2063	5.25%	2044 – 2050	5.50%	2060 – 2070	5.25%
2064 – 2074	5.00%	2051 – 2061	5.25%	2071 – 2076	5.00%
2075 – 2079	4.75%	2062 – 2074	5.00%	2077 – 2081	4.75%
2080 +	4.50%	2075 – 2079	4.75%	2082 +	4.50%
		2080 +	4.50%		

* *For Contra Costa Health Plan A and B, actual increase from calendar year 2014 to 2015 was used.*

Dental Cost We assumed Dental costs will increase 4.0% annually.

Appendix C. Summary of Participant Data

The following census of participants was used in the actuarial valuation and provided by Contra Costa County.

Active Employees

Age	General	Safety	Total
Under 25	44	10	54
25 – 29	377	124	501
30 – 34	732	168	900
35 – 39	838	203	1,041
40 – 44	883	236	1,119
45 – 49	1,043	226	1,269
50 – 54	1,148	85	1,233
55 – 59	997	34	1,031
60 – 64	663	17	680
65 & Over	257	4	261
Total	6,982	1,107	8,089

Average Age at Hire:	45.93
Average Age on Valuation Date:	10.31

Current Retirees

Age	General	Safety	Total
Under 50	22	69	91
50 – 54	104	146	250
55 – 59	390	163	553
60 – 64	821	211	1,032
65 – 69	1,155	255	1,410
70 – 74	869	125	994
75 – 79	619	86	705
80 – 84	444	72	516
85 & Over	595	60	655
Total	5,019	1,187	6,206

Average Age on Valuation Date:	69.92

Contra Costa County

To: Contra Costa County Fire Protection District Board of Directors

From: Jeff Carman, Chief, Contra Costa County Fire Protection District

Date: December 8, 2015

Subject: Establish Classification of Fire Investigator-56 Hour, reallocate three positions; and abolish Fire Investigator

RECOMMENDATION(S):

ADOPT Position Adjustment Resolution No. 21772 to establish the classification of Fire Investigator-56 Hour (KWH) (represented) at salary plan and grade 4N6-1793 ($6,877 - $9,215); reclassify three (3) Fire Investigator (REG) (represented) position numbers 10853, 10854, and 13701 and the incumbents to Fire Investigator-56 Hour (KWH) (represented); and abolish the classification of Fire Investigator (REG) (represented) in the Contra Costa County Fire Protection District.

FISCAL IMPACT:

Cost neutral. Potential long term savings due to the elimination of standby pay differential and reduction in overtime recall frequency and the overtime hourly rate.

BACKGROUND:

The Contra Costa County Fire Protection District is recommending changing the staffing model of the Fire Investigations Unit (FIU) from three positions on a standard 40-hour, five day workweek schedule to three positions on three different rotating 24 hour shifts (A-B-C schedules). The latter model is the same one used for suppression personnel and has the advantage

☑ APPROVE ☐ OTHER

☑ RECOMMENDATION OF CNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/08/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 8, 2015

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

Contact: Robert Marshall, Fire Marshal (925) 941-3520

cc: Cheryl Koch, James Hicks, Eldreai Ellis, Denise Cannon-Sanchez

BACKGROUND: (CONT'D)

of providing 24/7 coverage for fire and arson investigations within the District. Reassigning personnel to a different work schedule requires the establishment of a 56-hour classification. The monthly base pay will be the same, but the hourly rate is reduced with a 56-hour schedule (2080 work hours per year vs. 2912 work hours per year).

The District currently has one investigations unit supervisor and three fire investigator positions. In 2014 fire investigators responded to over 600 incidents that required the assignment of an investigator. The District is seeing an increase in the number of fires which require investigation each year and because fires are unpredictable, an improved level of service will be achieved by having an investigator on shift at all times.

Currently, when a fire occurs outside of regular business hours, a standby investigator is contacted. The investigator receives a pay differential for being on standby and overtime pay for travel and investigation time.

Time sensitivity is critical in fire and/or arson investigations. The District does not have a residency requirement, so the investigator may be responding from a significant distance. Because of previous time delays, witnesses have left the scene or the scene may have undergone damage from suppression efforts. In suspected serial arsonist cases, the time frame is critical for identifying suspects and witnesses. A faster response time reduces or eliminates these factors, potentially leading to more arrests and better prosecutions.

Investigators are assigned take home vehicles that contain their specialized protective and investigative equipment. The cost to procure and up fit these vehicles is significant. Currently each investigator has an assigned vehicle. In eliminating the standby requirement, investigators will no longer need take home vehicles.

Assigning investigators to a 56-hour average workweek schedule will result in a scheduled FLSA overtime component being added to their regular, recurring pay. However, offsetting that is the elimination of the standby pay differential (5%), a reduction in unscheduled overtime, a 40% reduction to the actual overtime rate, and elimination of the costs associated with a take home vehicle (procurement, up fitting, fuel, maintenance, etc.). Given that, this action may likely result in long term cost savings. We are, however, categorizing this request as cost neutral while we gather more data during the first year of operation.

The existing incumbents are represented by IAFF, Local 1230. They are aware of and support the transition to a 24-hour A-B-C shift schedule.

CONSEQUENCE OF NEGATIVE ACTION:

The District will continue to conduct fire/arson investigations using standby investigators. This may result in a higher cost to run the program, reduced accuracy in cause and origin investigations, and less success in arrest rates and prosecution of arsonists.

CHILDREN'S IMPACT STATEMENT:

No impact.

ATTACHMENTS

P300 No. 21772

POSITION ADJUSTMENT REQUEST

NO. 21772
DATE 11/9/15

Department Contra Costa County Fire Protection District
Department No./ Budget Unit No. 7300 Org No. 7300 Agency No. 70

Action Requested: ESTABLISH Fire Investigator-56 Hour (represented), ADD three (3) Fire Investigator-56 Hour positions, RECLASS incumbents in Fire Investigator (represented) positions (#10853, #10854, and #13701) to Fire Investigator-56 Hour (represented) and ABOLISH Fire Investigator (represented) classification in the Contra Costa County Fire Protection District.

Proposed Effective Date: 10/01/2015

Classification Questionnaire attached: Yes ☐ No ☒ / Cost is within Department's budget: Yes ☒ No ☐

Total One-Time Costs (non-salary) associated with request: $0

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost	$0	Net County Cost	$0
Total this FY	$0	N.C.C. this FY	$0

SOURCE OF FUNDING TO OFFSET ADJUSTMENT Cost Neutral

Department must initiate necessary adjustment and submit to CAO.
Use additional sheet for further explanations or comments.

Jackie Lorrekovich
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

/s/ Timothy M. Ewell — 10/19/2015
Deputy County Administrator — Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS DATE 11/9/15

Establish the classification of Fire Investigator-56 Hour (RJWH) (represented) at salary plan and grade 4N6-1793 ($6,877 - $9,215); reclassify three (3) Fire Investigator (RJWG) (represented) positions and its incumbents position numbers 10853, 10854, and 13701 to Fire Investigator-56 Hour (RJWH) (represented); and abolish the classification of Fire Investigator (RJWG) (represented)

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.
Effective: ☒ Day following Board Action.
☐ _____(Date)

/s/ Lisa Lopez — 11/30/2015
(for) Director of Human Resources — Date

COUNTY ADMINISTRATOR RECOMMENDATION: DATE 12/3/2015
☒ Approve Recommendation of Director of Human Resources
☐ Disapprove Recommendation of Director of Human Resources
☐ Other: _____

/s/ Timothy M. Ewell
(for) County Administrator

BOARD OF SUPERVISORS ACTION:
Adjustment is APPROVED ☐ DISAPPROVED ☐

David J. Twa, Clerk of the Board of Supervisors and County Administrator

DATE _____ BY _____

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION
Adjust class(es) / position(s) as follows:

REQUEST FOR PROJECT POSITIONS

Department _____ Date 12/3/2015 No. xxxxxx

1. Project Positions Requested:

2. Explain Specific Duties of Position(s)

3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)

4. Duration of the Project: Start Date _____ End Date _____
   Is funding for a specified period of time (i.e. 2 years) or on a year-to-year basis? Please explain.

5. Project Annual Cost

   a. Salary & Benefits Costs: _____ b. Support Costs: _____
   (services, supplies, equipment, etc.)

   c. Less revenue or expenditure: _____ d. Net cost to General or other fund: _____

6. Briefly explain the consequences of not filling the project position(s) in terms of:
   a. potential future costs
   b. legal implications
   c. financial implications
   d. political implications
   e. organizational implications

7. Briefly describe the alternative approaches to delivering the services which you have considered. Indicate why these alternatives were not chosen.

8. Departments requesting new project positions must submit an updated cost benefit analysis of each project position at the halfway point of the project duration. This report is to be submitted to the Human Resources Department, which will forward the report to the Board of Supervisors. Indicate the date that your cost / benefit analysis will be submitted

9. How will the project position(s) be filled?
   - ☐ a. Competitive examination(s)
   - ☐ b. Existing employment list(s) Which one(s)? _____
   - ☐ c. Direct appointment of:
     - ☐ 1. Merit System employee who will be placed on leave from current job
     - ☐ 2. Non-County employee

   Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY

Contra Costa County

To: Board of Supervisors

From: Jeff Carman, Chief, Contra Costa County Fire Protection District

Date: December 8, 2015

Subject: ADOPT Position Adjustment Resolution No. 21786 to Add Three (3) Fire District Dispatcher Positions

RECOMMENDATION(S):

ADOPT Position Adjustment Resolution No. 21786 to add (3) three Fire District Dispatcher (REWA) (represented) positions at salary plan and grade 4N6 1489 ($5,089 - $6,820) in the Contra Costa County Fire Protection District.

FISCAL IMPACT:

The Fire District Dispatcher classification (REWA) has a total annual cost range of $127,669 to $164,899 including benefits and other roll-ups. There are seven salary steps in the range. The annual cost of adding three (3) Fire District Dispatcher positions at step one is approximately $383,097, of which approximately $130,139 is a attributable to employer pension costs. That amount would be prorated for the portion of the fiscal year remaining (depending on the dates of appointment).

The source of funding for these positions is the District operating budget; however, the intention is to eventually transfer the positions to the newly established EMS Ambulance Transport Fund once the implementation of EMS ambulance services has proven to be financially sustainable and the Fund has a positive cash balance.

☑ APPROVE ☐ OTHER

☑ RECOMMENDATION OF CNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/08/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 8, 2015

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Denise Cannon, 925-941-3311

By: , Deputy

cc: Denise Cannon, Eldreai Ellis, James Hicks, Cheryl Koch

BACKGROUND:

The District operates the Contra Costa Regional Fire Communications Center (CCRFCC). The CCRFCC dispatches approximately 98,000 incidents per year for the Contra Costa County Fire Protection District, East Contra Costa Fire Protection District, Rodeo-Hercules Fire Protection District, Moraga-Orinda Fire Protection District, Crockett-Carquinez Fire Protection District, and the City of Pinole Fire Department. Certain automatic aid incidents are also dispatched for the City of Richmond Fire Department. The CCRFCC answers an average of 4,800 9-1-1 calls per month with a peak of close to 5,700 9-1-1 calls per month during the summer fire season. In addition, the CCRFCC answers an average of 15,000 administrative and "7 digit emergency" phone calls per month with a peak of approximately 20,000 per month during the summer fire season. Since 2011, the average number of incoming phone calls per hour, of all types, has risen approximately 27%.

The proliferation of mobile phones and ability for those phone calls to be directed to the CCRFCC is a significant contributing factor to this increased workload. Staffing of the CCRFCC currently consists of four (4) dispatchers and one (1) senior dispatcher per shift. These staffing levels have remained consistent since 1999. The daily workload, incoming phone calls, and emergency incident volume have increased dramatically since 1999, but staffing has not increased to match the workload. With the consolidation of American Medical Response (AMR) ambulance dispatching into the CCRFCC and the contract between the District and AMR for providing service under the County-wide ambulance contract, the District will realize approximately $1 million in efficiencies and cost savings that would otherwise be paid to AMR for dispatching services.

These savings and efficiencies are directly tied to the CCRFCC, its facility and systems, and the personnel carrying out the work of answering administrative and emergency phone calls and dispatching of fire and EMS resources to serve the public. The District is seeking to add three (3) Fire District Dispatcher positions to better and more efficiently handle emergency call processing and fire and EMS dispatching. The positions will enable the CCRFCC to better achieve contractual obligations and industry standards for emergency call processing and dispatching performance at all hours of the day. Additional personnel will enable the CCRFCC to provide improved radio channel monitoring during active incidents which improves firefighter safety.

CONSEQUENCE OF NEGATIVE ACTION:

By not adding three (3) dispatcher positions, the CCRFCC will not have the ability to improve call processing or dispatching times and will have a difficult time maintaining standards to achieve contractual obligations and industry standards for emergency call processing and dispatching performance at all hours of the day.

CHILDREN'S IMPACT STATEMENT:

No impact.

ATTACHMENTS

P300 No. 21786

POSITION ADJUSTMENT REQUEST

NO. 21786
DATE _____

Department No./
Department Contra Costa County Fire Protection District Budget Unit No. 7300 Org No. 7300 Agency No. 70

Action Requested: ADOPT Position Adjustment Resolution No. 21786 to add three (3) Fire District Dispatcher (REWA-12 Hour) (represented) positions at salary plan and grade 4N6 1489 ($5,089 - $6,820) in the Contra Costa County Fire Protection District.

Proposed Effective Date: 12/8/2015

Classification Questionnaire attached: Yes ☐ No ☒ / Cost is within Department's budget: Yes ☒ No ☐

Total One-Time Costs (non-salary) associated with request: $0.00

Estimated total cost adjustment (salary / benefits / one time):

Total annual cost $383,097.00 Net County Cost $0.00

Total this FY $191,548.00 N.C.C. this FY $0.00

SOURCE OF FUNDING TO OFFSET ADJUSTMENT 100% CCCFPD Operating Fund

Department must initiate necessary adjustment and submit to CAO.
Use additional sheet for further explanations or comments.

Jackie Lorrekovich
_____
(for) Department Head

REVIEWED BY CAO AND RELEASED TO HUMAN RESOURCES DEPARTMENT

Timothy M. Ewell 11/20/2015

_____ _____
Deputy County Administrator Date

HUMAN RESOURCES DEPARTMENT RECOMMENDATIONS DATE 11/23/2015
Add (3) three Fire District Dispatcher (REWA) (represented) positions at salary plan and grade 4N6 1489 ($5,089 - $6,820)

Amend Resolution 71/17 establishing positions and resolutions allocating classes to the Basic / Exempt salary schedule.
Effective: ☒ Day following Board Action.
☐ _____(Date)

/s/ Lisa Lopez 11/23/2015

_____ _____
(for) Director of Human Resources Date

COUNTY ADMINISTRATOR RECOMMENDATION: DATE 12/3/2015
☒ Approve Recommendation of Director of Human Resources
☐ Disapprove Recommendation of Director of Human Resources
☐ Other: _____

/s/ Timothy M. Ewell
_____
(for) County Administrator

BOARD OF SUPERVISORS ACTION:
Adjustment is APPROVED ☐ DISAPPROVED ☐

David J. Twa, Clerk of the Board of Supervisors and County Administrator

DATE _____ BY _____

APPROVAL OF THIS ADJUSTMENT CONSTITUTES A PERSONNEL / SALARY RESOLUTION AMENDMENT

POSITION ADJUSTMENT ACTION TO BE COMPLETED BY HUMAN RESOURCES DEPARTMENT FOLLOWING BOARD ACTION
Adjust class(es) / position(s) as follows:

REQUEST FOR PROJECT POSITIONS

Department _____ Date _____ No. _____

1. Project Positions Requested:

2. Explain Specific Duties of Position(s)

3. Name / Purpose of Project and Funding Source (do not use acronyms i.e. SB40 Project or SDSS Funds)

4. Duration of the Project: Start Date _____ End Date _____
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5. Project Annual Cost

   a. Salary & Benefits Costs: _____

   b. Support Costs: _____
   (services, supplies, equipment, etc.)

   c. Less revenue or expenditure: _____

   d. Net cost to General or other fund: _____

6. Briefly explain the consequences of not filling the project position(s) in terms of:
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   c. financial implications
   d. political implications
   e. organizational implications

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   - ☐ a. Competitive examination(s)
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     - ☐ 2. Non-County employee

   Provide a justification if filling position(s) by C1 or C2

USE ADDITIONAL PAPER IF NECESSARY

Contra Costa County

To: Board of Supervisors

From: Jeff Carman, Chief, Contra Costa County Fire Protection District

Date: December 8, 2015

Subject: APPROPRIATION AND REVENUE ADJUSTMENT NO. 5019 - EMS AMBULANCE TRANSPORT FUND

RECOMMENDATION(S):

APPROVE Appropriations and Revenue Adjustment No. 5019 authorizing new revenue in the amount of $12,300,000 in the EMS Ambulance Transport Fund (7040) and appropriate it to fund expenditures related to the provision of ambulance transport services within Exclusive Operating Areas I, II and V within Contra Costa County.

FISCAL IMPACT:

$12,300,000, 100% EMS Ambulance Transport reimbursement revenue. The estimated revenue reflects anticipated reimbursements from government and private insurance carriers to the District related to EMS ambulance transport activities.

BACKGROUND:

On July 21, 2015 the Board approved the Health Services Director recommendation to award the EMS ambulance transport contract to Contra Costa County Fire Protection District (CCCFPD) and directed staff to commence with contract negotiations between the CCCFPD and the Contra Costa County Emergency Medical Services Agency (CCCEMSA) and return with a negotiated contract for final approval. Over the past four months, County Counsel has facilitated several all-hands contract negotiation sessions to discuss critical details of the proposed, new service delivery model. The

☑ APPROVE ☐ OTHER

☑ RECOMMENDATION OF CNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/08/2015** ☐ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: December 8, 2015

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Timothy Ewell, 925-335-1036

By: , Deputy

cc:

BACKGROUND: (CONT'D)

negotiated contract supports opportunities to build efficiencies and support EMS stakeholder collaboration. Unlike emergency ambulance service contracts in the past, this agreement also provides the County with significant flexibility to adjust terms and conditions in response to external factors that may affect emergency ambulance services in the future. On November 17, 2015 the Board of Supervisors and the CCCFPD Board of Directors approved the final contract.

As a California Fire Protection District, Health and Safety Code section 13862(e) gives the District power to provide ambulance services as part of its general operations, pursuant to 1797. In the case of CCCFPD, the District did not previously provide ambulance services and, therefore, does not have the right to provide ambulance services under Health and Safety Code section 1797.201. In the future, the District will be required to bid on the provision of ambulance services during the County EMS Agency request for proposal process, should there be a desire to continue with those contract services.

In addition to approving the contract on November 17, 2015, the Auditor Controller was authorized to establish the EMS Ambulance Transport Fund and make transfers, as necessary, between the new fund and the CCCFPD operating fund during the start up period of the new contract arrangement to provide working capital between the time in which costs of providing services are incurred by the District and reimbursement revenue from government and private insurance carriers is received.

Today's action recognizes anticipated revenue based on estimated cash flows presented by the District at the November 17, 2015 Board of Supervisors' meeting and and establishes appropriations, both in the amount of $12,300,000, to provide expenditure authority for the District to provide services outlined in the contact.

CONSEQUENCE OF NEGATIVE ACTION:

The District will be unable to recognize anticipated revenues and have expenditure authority to perform contractual obligations approved by parties to the EMS Transport contract authorized on November 17, 2015.

CHILDREN'S IMPACT STATEMENT:

No impact.

ATTACHMENTS

Appropriation and Revenue Adjustment No. 5019

CONTRA COSTA COUNTY
APPROPRIATION ADJUSTMENT/
ALLOCATION ADJUSTMENT
T/C-27

AUDITOR-CONTROLLER USE ONLY:
FINAL APPROVAL NEEDED BY:
☒ BOARD OF SUPERVISORS
☐ COUNTY ADMINISTRATOR
☐ AUDITOR-CONTROLLER

ACCOUNT CODING		DEPARTMENT: CCCFPD EMS Transport Fund 204000		
ORGANIZATION	EXPENDITURE SUB-ACCOUNT	EXPENDITURE ACCOUNT DESCRIPTION	<DECREASE>	INCREASE
7040	2310	NON CNTY PROF SPCLZD SVCS		12,300,000.00
			0.00	12,300,000.00

APPROVED

AUDITOR – CONTROLLER
By: _____ Date 11/24/15

COUNTY ADMINISTRATOR
By: _____ Date 11/30/15

BOARD OF SUPERVISORS
YES:
NO:

By: _____ Date _____

EXPLANATION OF REQUEST

To appropriate funds to make service payments to the ambulance transport subcontractor and to the billing service provider for the period January 1, 2016 through June 30, 2016.

PREPARED BY: Jackie Lorrekovich
TITLE: Chief of Administrative Services
DATE: 11/10/15

APPROPRIATION APOO 5019
ADJ. JOURNAL NO.

(M 129 Rev. 6/09)

CONTRA COSTA COUNTY
ESTIMATED REVENUE ADJUSTMENT/
ALLOCATION ADJUSTMENT
TC/24

AUDITOR-CONTROLLER USE ONLY:
FINAL APPROVAL NEEDED BY:
☒ BOARD OF SUPERVISORS
☐ COUNTY ADMINISTRATOR
☐ AUDITOR-CONTROLLER

ACCOUNT CODING		DEPARTMENT: CCCFPD EMS Transport Fund 204000		
ORGANIZATION	REVENUE ACCOUNT	REVENUE ACCOUNT DESCRIPTION	INCREASE	<DECREASE>
7040	9759	COST RECOVERY	12,300,000.00	
		TOTALS	12,300,000.00	0.00

APPROVED

AUDITOR – CONTROLLER
By: _____ Date 11/24/15

COUNTY ADMINISTRATOR
By: _____ Date 11/30/15

BOARD OF SUPERVISORS

YES:

NO:

By: _____ Date _____

EXPLANATION OF REQUEST

To recognize and appropriate new revenue for amounts collected for the provision of ambulance transport services during the period January 1, 2016 through June 30, 2016.

PREPARED BY: Jackie Lorrekovich
TITLE: Chief of Administrative Services
DATE: 11/10/15

REVENUE ADJ. JOURNAL NO. RAOO 5019

(M 129 Rev. 6/09 CAO)