



Contra  
Costa  
County

To: Contra Costa County Fire Protection District Board of Directors  
From: Jeff Carman, Chief, Contra Costa County Fire Protection District  
Date: May 9, 2017

Subject: Ambulance Service Periodic Financial Report

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**RECOMMENDATION(S):**

ACCEPT a report from the Fire Chief on ambulance service response times, payer mix, revenue received, and expenditures paid for calendar year 2016.

**FISCAL IMPACT:**

Report only. No fiscal impact.

**BACKGROUND:**

Effective January 1, 2016, the Contra Costa County Fire Protection District (District) became the exclusive operator of emergency ambulance service within exclusive operating areas (EOAs) 1, 2, and 5 in Contra Costa County. The District effectively provides emergency ambulance service through a contract with American Medical Response West (AMR). This service model has been termed the Alliance. The District continues to develop its relationship with AMR in an effort to maximize operational efficiency and deliver outstanding service to the citizens of Contra Costa County. The new endeavor has required substantial adjustment, and the District continues to reposition internal resources to effectively manage the operational and financial components of the ambulance service program.

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☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY  
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD  
COMMITTEE

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Action of Board On: **05/09/2017** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, Director  
Candace Andersen, Director  
Diane Burgis, Director  
Karen Mitchoff, Director  
Federal D. Glover, Director

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: May 9, 2017

, County Administrator and Clerk of the Board of Supervisors

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

By: June McHuen, Deputy

cc:

The key goals of the Alliance included improved efficiency of emergency resource deployment and improved service levels.

## BACKGROUND: (CONT'D)

This has been successful. For example, effective February 1, 2016, the dispatching of ambulance resources was transitioned from AMR to the Fire District. This resulted in nearly a minute reduction in call processing times. Another objective for the District was to develop a potential new source of revenue to support and add capacity to the emergency medical services system within Contra Costa County. The Alliance model has proved to be financially sustainable in its first year of operation.

Some of the factors that drive revenue and financial sustainability include transport volume, payer mix, services provided, service charges, payer reimbursement rates, average mileage, quality of documentation, hospital relationships, and health care legislation. Transport volume increased approximately 3% in 2016 compared to 2015. While continuing to mature, the District's payer mix experience to date has been very similar to prior years (2014 and 2015).

On the expenditure side, the District has used lower than anticipated ambulance unit hours while still exceeding the contractual response time performance standard of 90% in all zones. This lower-than-anticipated use of ambulance unit hours was one of the components of a financially successful first year.

Going forward, more ambulance program-related expenditures (including staffing costs) will be shifted from the District's General Operations Fund to the EMS Transport Fund. The District will repay the \$3 million cash advance, build a responsible reserve fund for future stability of the service, and pursue federal supplemental reimbursement (GEMT) for services provided to Medi-Cal beneficiaries. Lastly, the District will continue to work through performance issues, identify and test new opportunities, and reinvent revenue back into the system.

## ATTACHMENTS

Ambulance Finance Update, May 2017