

**Sonoma County – Emergency Ground Ambulance Service
Request for Proposal (RFP) Evaluation Committee**

November 3, 2008

Rita Scardaci, Director
Department of Health Services
Sonoma County Department of Health Services
3313 Chanate Road
Santa Rosa, CA 95404

Subject: Sonoma RFP Evaluation Committee Recommendations

Dear Rita,

Enclosed is a report summarizing the conclusions and recommendations of the RFP Evaluation Committee's assessment of American Medical Responses' and Paramedics Plus' proposals to provide ground emergency ambulance services for the Exclusive Operating Area of Sonoma County.

It was a privilege to serve you. Please let us know if you have any questions.

Yours truly,



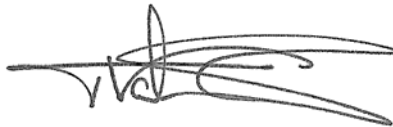
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General Manager, American Ambulance
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Sonoma County
Emergency Ground Ambulance Service

Requests for Proposal
Evaluation Committee

Recommendations

October 31, 2008

Summary

A Request for Proposal (RFP) for emergency ground ambulance service for the exclusive operating area (EOA) comprised of the greater Santa Rosa Area in Sonoma County was distributed on July 11, 2008 to any ambulance provider indicating an interest. The County of Sonoma ("County") received three letters of intent as follows: American Medical Response (AMR), the current provider, Paramedics Plus, a Texas firm and St. Joseph Ambulance, a Marin and Sacramento County firm. On October 2, 2008, proposals were received from two bidders: AMR and Paramedics Plus.

A four-member expert Proposal Evaluation Committee ("Committee"), appointed by Sonoma County, met and conducted an extensive review of the proposals. The review involved an exhaustive analysis of the written proposals, including an examination of the strengths and weaknesses of each individual proposal in relation to the standards established in the RFP and using a scoring system published in the RFP. The Committee heard 30-minute presentations from each bidder and then interviewed each bidder's key staff. Following the review and bidder interviews, significant discussion occurred amongst the Committee members regarding the bidder's adherence to the RFP requirements, as well as the relative merits of each bidder's specific approach as supplied in their written proposals and interviews. Following this discussion, each individual member of the Committee ranked both bidders according to the specific weighted criteria contained in the RFP. The individual scores were then compiled into a final rating for each bidder.

Based on the discussion and ranking of the proposals, the Proposal Evaluation Committee contends that AMR's proposal was considered superior and that the County should engage in negotiations with AMR for a contract to serve the future needs of the EOA in Sonoma County.

The following report is a synopsis of the Committee's process and key observations.

Overview of Process

A four-member Proposal Evaluation Committee nominated by The Abaris Group, the firm contracted to conduct the RFP process and approved by the Department of Health Services, met on October 20, 2008 with the purpose of providing a recommendation for Sonoma County to contract with an ambulance provider for the Sonoma County EOA . The Committee was oriented to their role in the evaluation process and informed of the history, demographics, and ambulance service needs of Sonoma County and this EOA. The Evaluation Committee members were:

SONOMA COUNTY PROPOSAL REVIEW COMMITTEE MEMBERS	
Committee Member	Affiliation(s)
Chuck Baucom	Director, Merced EMS Agency
Bryan Bledsoe, DO	EMS Medical Director and Emergency Medicine Physician, Las Vegas and Texas
Ken Riddle	Deputy Fire Chief, Las Vegas Fire & Rescue (retired) Consultant, The Abaris Group
Todd Valeri	General Manager, American Ambulance, Fresno

Also present at the evaluation were:

SONOMA COUNTY PROPOSAL REVIEW STAFF AND OBSERVERS			
Participant	Title	Organization(s)	Role
Tucker Bierbuam, MD	Base Hospital Medical Director	Santa Rosa Memorial Hospital	Hospital Presenter
Kent Coxon	EMS Coordinator	Coastal Valleys EMSA	EMS Agency & Advisor
Dan Epperson	Battalion Chief	Petaluma Fire Department	Fire Presenter & Advisor
Mark Freeman	Division Chief	Sonoma Valley Fire Rescue Authority	REDCOM Advisor
Phillip Garcia	Fire Chief	Sonoma Valley Fire Rescue Authority	Observer
Mary Maddux, MD, MPH	Health Officer	Sonoma County - Public Health Division	Observer
Michael Pfeffer	Research Assistant	The Abaris Group	Staff
Rita Scardaci	Director of Health Services	Sonoma County - Dept. of Health Services	Observer
Rob Stroud	Administrative Services Director	Sonoma County - Dept. of Health Services	Observer
Chris Thomas	Deputy County Adminisrator	Sonoma County	REDCOM Presenter
Mike Williams	President	The Abaris Group	Facilitator, Staff

Prior to the evaluation meeting, Committee members were provided with copies of the RFP, amendments to the RFP, bidder proposals, and a factual side-by-side comparison of the two proposals. Each Committee member reviewed these documents individually and signed a written conflict-of-interest statement before beginning the interview and scoring process.

The Proposal Evaluation meeting began with Rita Scardaci, Director of Health Services, briefly describing the Sonoma County RFP background and process, followed by Mary Maddux, MD, Health Officer, who described the demographics of the EOA and the county's emergency ambulance needs. Chris Thomas, Deputy County Administrator, then described the local emergency ambulance and fire dispatch service (REDCOM) history and background, followed by Tucker Bierbaum, MD, EMS Liaison, Santa Rosa Memorial Hospital, who described hospital and emergency physician issues, and Chief Epperson, battalion chief, Petaluma Fire Department who briefly expressed regional fire department needs. Mike Williams, as appointed by the County, certified to the Evaluation Committee that both of the bidders had met the minimum qualifications as provided in the RFP.

The Committee proceeded to discuss their evaluations of both written proposals, resulting in a number of questions and clarifications regarding each bidder's proposal. Of significant concern during the discussions was the variation of the forecasted budgets and the depth of the quality review process submitted by both bidders.

As mentioned, each of the four Committee members scored the proposals using the instructions in the RFP itself. The major headings and points for scoring were as follows:

1. Proposer's credentials and qualifications - 50 points
2. Compensation package and working conditions for prehospital personnel - 25 points

3. Commitment to incumbent personnel - 30 points
4. Response time commitments and methodology – 45 points
5. Level of clinical sophistication - 20 points
6. Fiscal strength - 30 points
7. Equipment maintenance and management - 15 points
8. Billing and collection program and data integration - 15 points
9. On-site key personnel - 25 points
10. Initial (ambulance) coverage status plan - 25 points
11. Implementation plan for EMS dispatch and data integration - 45 points
12. First responder program - 25 points
13. Miscellaneous requirements and additional data integration - 20 points
14. Costs/Charge recommendations - 30 points
15. Public information and education program - 15 points
16. Continuous Quality Improvement (CQI) process - 20 points

Total points allowed for the proposal: 435 points

A summary of the Committee's scores, averaged by category, is attached to this report. The Committee's summarized analysis of each application is as follows.

Summary of Applications

The two bidder proposals are from ambulance providers that are both subsidiaries of large ambulance and/or hospital corporations. AMR is the incumbent emergency ambulance provider and has served Sonoma County for 17 years. Paramedics Plus has served regions of Oklahoma, Texas, and Florida, for approximately up to 15 years and seeks to broaden its service to California.

The AMR proposal provides for 1,310 advanced life support (ALS) unit hours per week, with a peak load schedule of 11 ambulance units. In addition AMR offered 336 first response ALS hours with their supervisor's unit or Quick Response Vehicle (QRV) and 1,848 ALS Engine resource hours through Santa Rosa Fire Department. Their proposal offers an ALS base rate of \$1,407, a basic life support (BLS) rate of \$1,407/\$1,084 (emergent/non-emergent), and an average patient charge of \$1,963.46 per call. Two concerns of the Committee members were first that AMR had proposed to itemize additional charges (e.g. drugs, supplies, etc) for non-Medicare/Medicaid payers. Secondly, AMR included non-franchised BLS unit hours and costs with the franchised hours/costs, so that the committee was not able to AMR's unit hours and costs and average charge with Paramedics Plus.

Paramedics Plus would place 10 units in the field at peak load and would provide 1,092 unit hours initially, followed by an increase in unit hours if required for performance coverage. Their proposed ALS base rate is \$1,407 and BLS rate of \$1,084 (with no differentiation of emergent/non-emergent rates) with an average charge of \$1,587.95.

Analysis

The Committee believed both proposals were comprehensive and representative of considerable time and effort of the proposers. Both proposers would likely serve the County needs in a quality manner. The Committee was impressed with the overall quality of the proposals, the documentation provided and the enthusiasm expressed by

the proposers. However, the proposals were responsive to the requirements in the RFP in varying degrees.

A categorical listing of comments is provided below.

Proposers Credentials and Qualifications

AMR was judged by the Committee as the highest qualified bidder for this category due to their long history and experience in the region and in California, in addition to their proven record of meeting Sonoma County's specific needs. Paramedics Plus is certainly a capable company, yet they scored slightly lower due to a lack of both company wide California and regional experiences, as well as limited experience in their on-site management.

Compensation Package and Working Conditions

Salaries in the proposals were essentially the same. Both of the proposals met the wage requirements established by the RFP. AMR was viewed as stronger in the area of the details of their benefit package, their experience with the union and local workforce, and their low employee turnover rate. While Paramedics Plus was stronger in providing assistance for clinical advancement (paramedic program), they were judged to be weaker in the other areas listed above.

Commitment to Incumbent Personnel

With AMR being the incumbent ambulance provider for Sonoma County, they had proven commitment to their employees and were given the higher score for this category. Paramedics Plus proposed a sign-on bonus and training for local personnel, but described no alternative plan if the local personnel chose to stay with their current employer. The Committee felt there was higher than average risk for this to occur given the large presence of AMR in the Bay area and a likely desire by the workforce to not lose seniority or benefits. In addition, Paramedics Plus stated that they would hire all incumbent employees and later reduce their workforce through attrition though they did not provide a description of that process.

Response Time Commitments and Methodology

AMR had clearly met and exceeded their response time commitments to Sonoma County in the past and proposed a new commitment to meet response time standard of 92 percent of the time for all calls. While Paramedics Plus has met the response standards for three years in their other regions served, they proposed less unit hours per week. Their evaluation of Sonoma County's ambulance deployment needs was considered less robust than AMR and the methodology less reliable.

Level of Clinical Sophistication

The committee scored Paramedics Plus higher in this category. Paramedics Plus offered a "clinical ladder" for clinical and career advancement in addition to a robust paramedic training assistance program. Regions served by Paramedic Plus have also been nationally recognized (USA Today) for their participation with initiatives that produced high survival rates from cardiac arrest in two of the five high survival rate regions in the

nation. AMR had been unable to assure historically with field personnel transferring copies of patient clinical record (PCR) to ED staff, a concern mentioned by Dr. Bierbaum. AMR had not offered to implement an ePCR until this RFP process began, despite already having employed such programs in other regions. AMR also did not offer in their proposal a comprehensive clinical advancement program, (i.e. paramedic training).

Fiscal Strength

Both of the bidders are owned by large companies with robust financial histories and could have adequately financed operations in Sonoma County. Paramedics Plus was judged as slightly stronger in this category due to its stronger calculated liquidity using the “current ratio” calculation and cash-flow analysis.

Equipment Maintenance and Management

AMR was rated higher in this category. AMR offered to provide 22 new fuel-efficient “green” ambulances and utilize local employers for ambulance maintenance. Paramedics Plus offered 14 new Type II ambulances with a standard maintenance program and would provide in-house maintenance rather than outsourcing.

Billing and Collection Program and Data Integration

Neither bidder included a threshold for write-offs for charity/indigent care in their proposed billing program. AMR was rated higher due to their in-house billing system. Paramedics Plus would outsource their billing with a new partner who are a nationally-recognized billing firm but with a degree of uncertainty of the results for this franchise.

On-site Key Personnel

As the incumbent, AMR clearly had stronger local knowledge and experience and had stronger overall management experience. Paramedics Plus had proposed on-site management that was judged to have less experience and much less knowledge of the needs of the region.

Initial (Ambulance) Coverage Status Plan

AMR was ranked higher in this category due to their demonstrated experience in providing coverage to the region. They proposed 15 post locations with 1,380 unit hours per week, 336 hours for quick response vehicles through a supervisor’s vehicle (QRVs), and 1,848 resource hours with Santa Rosa Fire Dept. In addition, due to AMR’s strong regional presence, they have the capability to easily utilize units outside of the county to maintain coverage. Paramedics Plus met the requirements of the RFP, but proposed weaker deployment and coverage strategies and lower unit hours per week.

Implementation Plan for EMS Dispatch and Data Integration

AMR was clearly more qualified under this category as they have been partnered with and managed REDCOM since it began operation in the county. AMR documented their understanding of how the system runs today and would likely be a fit to meet future

needs. While Paramedics Plus runs dispatch in other regions, they were rated lower due to the lack of experience with the unique local REDCOM dispatch system.

First Responder Program

AMR was given a higher score for this item due to their proven history with the Santa Rosa Fire Department and positive endorsements from local fire and the sheriff. Paramedics Plus agreed to continue the current first responder program. Paramedics Plus made contacts with the Santa Rosa Fire Department but not with any of the other franchise fire first responders.

Miscellaneous

Paramedics Plus was scored higher in this area for their patient-centric philosophy and clearer dedication to advancing technology and data integration. While AMR has implemented newer technological programs such as wireless transfers of 12-lead EKG readings, they have yet to provide ePCRs to the region and only offered this in their proposal.

Cost and Charge Recommendations

Paramedics Plus was rated significantly higher than AMR for this item largely due to their adherence to the RFP standards and clarity of the costs and charges. Paramedics Plus proposed the charges required in the RFP and a lower average patient charge of \$1,587.95. However, one concern was that Paramedics Plus under estimated dispatch costs by approximately \$550,000 due to apparently missing an RFP amendment (emailed to them and also posted on the EMS Agency's web site) even though during the interview they committed to maintaining all of their proposal commitments as well as fully funding all dispatch costs. While AMR offered many of the same cost and charge values, their average patient charge was higher (\$1,963.46) and would likely be higher if they were to remove the non-franchise BLS calls included in their assumptions. AMR also included itemized charges for private payers, which had the potential of increasing costs for some patients and payers. Despite AMR's commitment to subsidizing the EOA by operating at a loss, the Committee members were concerned that AMR relied on "non-franchised" calls to "break even" or generate a profit.

Public Information and Education

Paramedics Plus was given the higher score in this category. AMR has joined with the local fire and police departments in a seatbelt campaign and proposed implementing education utilizing ePCR, but provided little explanation. Paramedics Plus has implemented broad programs for free child car seats and parent education. They also agreed to provide funding to the County and collaborate on how to allocate it towards public education.

Continuous Quality Improvement (CQI) Process

Paramedics Plus was rated higher for the historical CQI programs in regions they are currently servicing. They have a proven program utilizing key performance indicators to achieve their goals. AMR has proposed expanding from its standard internal quality improvement (QI) team to collaborating with the county on QI. They also expressed the

intention to utilize the ePCR in that process and drive public education through QI as well. However, there was some concern that AMR currently may have a weak QI program and provided little detail as to how they planned to accomplish the proposed QI goals.

Recommendations

Additional considerations include:

- Sonoma County should require AMR to disclose all litigation and worker's compensation case details as required in the RFP prior to contracting.
- AMR should provide a clearer and more detailed QI proposal that more accurately describes their commitment to the process.
- The County should consider broadening their QI process to provide more integration with the EOA process and more inclusivity of the local ED medical directors
- The County should ensure that AMR contract would provide for a provider medical director with clear delineation of authorities, responsibilities and adequate time to fully engage in the local system-wide CQI process.

The final cumulative scores are provided in the chart below:

Proposal Scoring Table						
Item No.	Description of Scored Element	Max Points Awarded	Total		Average	
			AMR	Paramedics Plus	AMR	Paramedics Plus
1	Proposer's credentials and qualifications	50	200	183	50.000	45.750
2	Compensation package and working conditions for prehospital personnel	25	100	96	25.000	24.000
3	Commitment to incumbent personnel	30	120	108	30.000	27.000
4	Response-time commitments and methodology	45	177	161	44.250	40.250
5	Level of clinical sophistication	20	71	80	17.750	20.000
6	Fiscal strength	30	116	120	29.000	30.000
7	Equipment maintenance and management	15	60	49	15.000	12.250
8	Billing and collection program and data integration	15	60	46	15.000	11.500
9	On-site key personnel	25	100	85	25.000	21.250
10	Initial (ambulance) coverage status plan	25	100	80	25.000	20.000
11	Implementation plan for EMS dispatch center and data integration	45	180	140	45.000	35.000
12	First responder program	25	100	83	25.000	20.750
13	Miscellaneous requirements and additional data integration	20	70	78	17.500	19.500
14	Costs/Charge recommendations	30	92	120	23.000	30.000
15	Public information and education program	15	55	60	13.750	15.000
16	Continuous Quality Improvement (CQI) process	20	68	80	17.000	20.000
	Total points:	435	1,669	1,569	417.250	392.250