
MEMORANDUM

DATE: OCTOBER 20, 2009

SUBJECT: Salt Lake City - Emergency Medical Services (EMS)
Resolution - Support Administration in pursuing EMS license

STAFF REPORT BY: Karen Halladay, Budget and Public Policy Analyst

AFFECTED COUNCIL DISTRICTS: ALL

BUDGET IMPACT: Under the Southwest Ambulance contract, Salt Lake City has received paramedic and dispatch fees of \$650,000 annually. A new provider contract or a renewal with SWA will likely not result in fees of this amount. This will impact FY2010 budgeted revenues. In addition, by pursuing the 911 transport license, the Council acknowledges and accepts all responsibility for providing EMS services to its citizens and visitors.

Recommendation from Administration

The Administration is asking the Council to support, by resolution, the City's efforts in applying for the 911 emergency transport services license for the Salt Lake City geographic area. The resolution contains the following points:

- By applying for and holding the 911 emergency services license, the Administration indicates that the City's options will be preserved. These EMS options include: 1) Salt Lake City being the sole provider of ambulance services; 2) outside providers, such as, Gold Cross, Unified Fire Authority (UFA), or Southwest Ambulance, could enter into a cooperative contract/agreement with the City, or 3) some combination of providers as defined by the Administration and Council.
- The Council acknowledges the license covers the entire exclusive geographic service area as represented by the boundaries of Salt Lake City, including those areas that may lie outside the territorial or jurisdictional boundaries of the governing body. In addition, by pursuing the license, the Council understands that it accepts all responsibilities, including any potential financial implications, of its decision as defined in Utah Code 26-8A-405 and 26-84-410.
- The Council supports the Administration's efforts in applying for the license.
- The Council supports the Administration's efforts in exploring options available in providing EMS to Salt Lake City taxpayers, residents, business owners, guests and visitors.

The adoption of this resolution does not commit the Council to providing City-owned, funded, and managed ambulance services.

Background Information

Salt Lake City's 4-year contract with Southwest Ambulance (SWA) for 911 Emergency Transport Services ends on December 21, 2009. The contract allows for a renewal, but according to the Administration, in a letter dated in March of 2009, SWA indicated that they would not be able to continue to provide 911 services in the Salt Lake City market under the current contract. The current contract requires SWA to pay Salt Lake City dispatch fees and to reimburse SLC for paramedic services provided. These contract fees have been \$650,000 per year. When SWA entered the Utah market, specifically Salt Lake City, they had hoped to supplement their 911 EMS revenues with inter-facility transport service fees. However, SWA has not been successful in attempting to change this section of the Utah Code.

Utah State Codes 26-8A-405 and 26-8A-410 state the requirements for the ambulance services license holder. Utah law and administrative rules allow the City to apply for the exclusive license, and determine how to provide 911 emergency transport services. The Administration indicates that pursuing the license is the first step in preserving the City's options. In addition, Salt Lake City would have additional time to study the issues, including short and long term financial implications, of providing EMS for the City's population.

It is important for the Council to understand that EMS will be provided at all times. 911 ambulance services will continue to be provided to residents, guests, and visitors regardless of when a decision is made on how to best provide ambulance services. The Administration can obtain service from an interim provider while the license is being pursued and options are explored.

Matters the Council May Wish to Consider

1. Administrative and Council Staff are working together to define the scope of a audit/study and select one of the four outside consultants to perform a study to determine how to best provide ambulance services to Salt Lake City taxpayers, residents, businesses, guests and visitors. *Does the Council support an outside study? If so, does the Council wish to include any specific components or elements to the study?*
2. Under the Southwest Ambulance contract, Salt Lake City received paramedic and dispatch fees of \$650,000 annually. A new provider contract or a renewal with SWA will likely not result in fees of this amount. This will impact FY2010 budgeted revenues. *Does the Council wish to inquire about the financial impact to the FY2010 budget and how budgeted revenues and expenses from the potential loss of revenue will be addressed by the Administration?*



RALPH BECKER
MAYOR

SALT LAKE CITY CORPORATION

OFFICE OF THE MAYOR

CITY COUNCIL TRANSMITTAL

David Everitt, Chief of Staff

Date sent to Council: 10/06/2009

TO: Salt Lake City Council
Carlton Christensen, Chair

DATE: October 2, 2009

FROM: David Everitt, Chief of Staff
Office of the Mayor

SUBJECT: Salt Lake City's Emergency Medical Services

STAFF CONTACT: Chief Kurt Cook
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Brian Dale, Battalion Chief, Medical Division
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DOCUMENT TYPE: Resolution

RECOMMENDATION: Request Council support for the City to apply for the 911 emergency transport services license for the geographic area of Salt Lake City

BUDGET IMPACT: Future budget impacts-none at this time

BACKGROUND: Salt Lake City's contract with Southwest Ambulance for 911 emergency transport services ends on December 21, 2009. Southwest does not intend to renew the 4 year contract because they could not get legislative approval to seek the separate license for inter-facility transfers. Without that license, the company could not sustain financial viability in the Salt Lake City market. There is only one license for emergency transport and one license for inter-facility transport in each geographic area.

For the past several months, the Administration has been considering our options with regard to 911 ambulance service after Southwest's contract expires. The Mayor's Office and others in the Administration have been working with the Fire Department to explore

the desirability and feasibility of the City assuming responsibility for 911 ambulance service. The Mayor has concluded that, from a service standpoint, this outcome would be in the best long-term interest of the City. However, because both the startup costs and resources required are significant and given the current financial climate and related budget constraints, he believes that our ability to realize this goal is at least one to two years away.

Utah State Code 26-8A-405.1 requires an ambulance service license to be for a period of four years. Utah state law and administrative rules allow the City to apply for the exclusive license and then either provide the service itself, contract with another provider, jointly provide the service, create a cooperative agreement with another provider, or create an agreement to allow the City to phase in City provided service.

As the Administration explained in the City Council briefing on September 29, we believe that applying for and obtaining the 911 license will be the first step in preserving all potential options as we proceed to a decision on the future of 911 ambulance service in Salt Lake City.

The requirements for obtaining the license are spelled out in detail in the Utah Code. One of the threshold requirements is found in U.C.A. 26-8a-410. The license applicant must demonstrate that the governing body has approved the provision of services to the geographic area that is the subject of the license. This means that the City has the responsibility to see that 911 transport service is provided, but does not specify how the service will be delivered.

To meet this requirement, the Administration is forwarding to the Council the attached Resolution which expresses the Council's support for the license application.

It is important for the Council to be assured that the City will not be without 911 ambulance service when Southwest's contract expires in December. We can obtain service from an interim provider while we pursue the 911 license and further explore the options available to us.

The Administration is prepared to brief the Council further on the licensing issue and all matters relative to the delivery of 911 ambulance transport. We are committed to working with the City Council to make certain that our residents have the finest possible emergency transport service.

RESOLUTION NO. _____ OF 2009
(Ambulance Service)

A resolution expressing the support of the City Council for the City to apply for the 911 emergency ambulance services license for the geographic area of Salt Lake City.

WHEREAS, Salt Lake City Corporation (the "City") has previously entered into a Contract pursuant to a Request for Proposal process for the provision of 911 emergency ambulance services with Southwest Ambulance ("Southwest"), dated December 21, 2005 (the "Contract"); and

WHEREAS, the Contract provides for a four-year renewable term that expires on December 21, 2009; and

WHEREAS, Southwest has provided notice to the City that it will not renew the Contract when it expires on December 21, 2009; and

WHEREAS, Southwest's license to provide 911 emergency ambulance services will terminate with the non-renewal of the contract; and

WHEREAS, alternatives need to be explored to ensure that satisfactory 911 emergency ambulance services are continued within the boundaries of the City; and

WHEREAS, Utah State law and administrative rules allow the City to apply for the license and either provide the services itself or create a cooperative agreement with another licensee for the provision of 911 emergency services; and

WHEREAS, the City Administration believes it is in the City's best interest to apply for the license to keep the options available to either provide the services itself, create a cooperative agreement with a private provider, jointly provide the services, or create a combined plan for a phase-in of the City providing the services; and

WHEREAS, Utah Code Ann. 26-8a-410 requires that a publically operated service must demonstrate that the governing body has approved the provision of services to the entire exclusive geographic service area that is the subject of the license.

THEREFORE BE IT RESOLVED, by the City Council of Salt Lake City, that:

1. The public interest favors the City applying for the license for 911 emergency services within the geographical area of the City for the purpose of keeping its options open in either providing the services itself or reaching a cooperative agreement for a private provider to do so;
2. The City Council approves, should the City apply for and receive such license, of the provision of services under such license, either by the City or private provider pursuant to cooperative agreement, for the entire exclusive geographic service area represented by the boundaries of Salt Lake City, and further authorizes Council staff to provide evidence of such approval as requested by the State of Utah;
3. The City Council supports the administration in its efforts to begin the application process for the City to obtain the license for the provision of 911 emergency services within the boundaries of Salt Lake City pursuant to Utah law;
4. The City Council supports the administration exploring the options related to self-provision of 911 emergency services, the creation of a cooperative agreement for the provision of 911 emergency services by a private provider under the auspices of the City's license, or a combination of the approaches such as joint provision of services or a phase-in of the City providing 911 emergency services.

DATED this _____ day of _____, 2009.

Passed by the City Council of Salt Lake City, Utah, this _____ day of _____, 2009.

SALT LAKE CITY COUNCIL

By: _____
CHAIRPERSON

ATTEST AND COUNTERSIGN:

CITY RECORDER

APPROVED AS TO FORM
Salt Lake City Attorney's Office
Date 10/5/2009
By [Signature]