



EXECUTIVE SUMMARY

DATE: February 28, 2014
TO: Bob Vitas, City Manager
FROM: Michael Davila, Division Chief of Operations
SUBJECT: Executive Summary – CARE Contract Extension

PROJECT

Lifestar Response of Alabama, d/b/a Care Ambulance is the Emergency Ambulance Service provider by contract from April 1, 2011 until March 31, 2014. This contract is based on the City of Key West's Request for Proposal 009-10 Emergency Ambulance Service, original and Addendums 1 thru 4, LifeStar Response Corporation Proposal (July 1, 2010). Since the contract start date of April 1, 2011 Lifestar Response Corporation has merged with American Ambulance and is now known as Care/American Ambulance. By contract the City and the Vendor can agree to extend the terms of the contract. City Manager Vitas has negotiated an extension with Care, American Ambulance to include the following terms;

- Care/American Ambulance will continue to provide uninterrupted 911 ambulance services beyond the current contract end date
- The contract extension shall be on a month to month basis not to exceed twelve (12) months in duration
- Notice of contract termination shall require sixty (60) day advanced written notice by either party to the contract
- The current EPCR requirement shall be waived during the duration of the contract extension period
- Care/American Ambulance will provide their full support to the City in order to transition to a Key West Fire EMS Department by a target date of October 1, 2014 in conjunction with the City's fiscal year
- Care/American Ambulance operations will remain in place as they currently exist and there will be no use of any City facilities, equipment or fuel
- An operating subsidy of \$45,000 per month shall be provided commencing April 2014 and paid by the 15th day of the following

month for only those months of service provided not to exceed \$540,000

- All other terms and conditions of the current contract not in conflict with the above shall remain in full effect during the contract extension period

OPTIONS: The City desires to provide ambulance service to the citizens and guests of Key West. The City contracted with TriData Systems to analyze the Key West EMS system and their report recommended a switch to a municipal fire department operated EMS instead of the private industry for profit provider. The Key West Fire Department requires some time to be prepared for this transitioned and extending the current vendor contract is required to facilitate this transition period.

ADVANTAGES: Care Key West has provided sufficient service for the duration of the contract. Care will provide full support for this transition which could prove essential as new City of Key West personnel, equipment and operations will be started.

DISADVANTAGES: The City has enjoyed a zero subsidy for the past 3 years and will now have to pay for the EMS service provided. Care Key West discontinued their use of Electronic Patient Care Reporting which was required by contract to provide effective care.

FINANCIAL IMPACT: The City will be required to pay the vendor \$45,000.00 per month for each month they are operating not to exceed \$540,000. A Budget Transfer has been developed to move \$270,000 from the 001-1900-519-98-03 General Fund Reserve Budget into the 001-1900-519-34-10 Ambulance Services Budget for fiscal year 2013-14.

RECOMMENDATION: Extend the contract with the terms listed above as agreed to by Care/American Ambulance on a month to month basis. Begin the transition objectives to provide EMS service using the Key West Fire Department as the new provider.