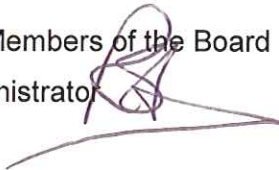




OFFICE OF THE COUNTY ADMINISTRATOR

M E M O R A N D U M

TO: The Honorable Chairman and Members of the Board of County Commissioners
FROM: Robert S. LaSala, County Administrator 
DATE: September 28, 2011
SUBJECT: Cost Analysis – Emergency Services Medical First Response and Ambulance Transport Proposals

Attached is a cost analysis of the two proposals received regarding fire transport. The analysis shows that the Union (Sanford/Millican) and the 10/3 proposals are significantly more expensive than either the current system or the IPS proposal.

This will be discussed further at the EMS workshop on October 25, 2011

Cost Analysis - Emergency Medical Services Medical First Response and Ambulance Transport Proposals
Figures based on FY 10-11 Adopted Budget

	<u>Current EMS FY 10-11 Adopted Budget</u>	<u>IPS Marginal Engine Funding (Paid Position Option)</u>	<u>Union (Sanford/Millican) Proposal</u>	<u>10/3 Proposal</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
<u>Medical First Responder (MFR) Program</u>				
Medical First Responder Sub Total	\$43,984,410	\$32,984,917	\$34,563,550	\$30,144,000
<u>Ambulance Program</u>				
Ambulance Sub Total	\$41,556,949	\$41,556,949	\$64,822,153	\$80,004,656
Total EMS System Cost	\$85,541,359	\$74,541,866	\$99,385,703	\$110,148,656

% Cost Variance from Current		(13%)	16%	22%
\$ Cost Variance from Current		(\$10,999,493)	\$13,844,344	\$24,607,296
Number of MFR Units	62	72	60	45
Number of Ambulances (Peak Staffed)	53	53	51	46

Cost Analysis - Emergency Medical Services Medical First Response and Ambulance Transport Proposals
Figures based on FY 10-11 Adopted Budget

	<u>Current EMS FY 10-11 Adopted Budget</u>	<u>IPS Marginal Engine Funding (Paid Position Option)</u>	<u>Union (Sanford/Millican) Proposal</u>	<u>10/3 Proposal</u>
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
<u>Medical First Responder (MFR) Program</u>				
MFR Provider Contract Costs	\$38,112,490	\$27,112,997	\$25,110,000	\$17,055,000
Medical First Responder Program Support	\$5,871,920	\$5,871,920	\$5,133,550	\$2,856,000
Uncosted			\$4,320,000	\$10,233,000
Medical First Responder Sub Total	\$43,984,410	\$32,984,917	\$34,563,550	\$30,144,000
<u>Ambulance Program</u>				
911 Ambulance Transport (Plus Non Emergency for Sanford)	\$22,386,048	\$22,386,048	\$33,343,500	\$34,868,000
Non-Emergency Ambulance Transport	\$8,208,039	\$8,208,039	combined with emergency	\$9,408,000
Sub Total Emergency & Non Emergency	\$30,594,087	\$30,594,087	\$33,343,500	\$44,276,000
Ambulance Other - Tactical EMS and Transport for Critical Care, All Children's Hospital, Mental Health, and Long Distance	\$2,086,715	\$2,086,715	\$1,917,272	\$0
Ambulance Other - Hospital Bed Delay, Dedicated Standby Services, Fuel Adjustment	\$869,198	\$869,198	\$0	\$0
Capital	\$0	\$0	\$5,650,000	\$6,510,000
Ambulance Program Support	\$8,006,949	\$8,006,949	\$8,709,620	\$7,344,000
Uncosted			\$15,201,761	\$21,874,656
Ambulance Sub Total	\$41,556,949	\$41,556,949	\$64,822,153	\$80,004,656
Total EMS System Cost	\$85,541,359	\$74,541,866	\$99,385,703	\$110,148,656

Assumptions:

All Budget data is based on FY 10/11

Program Support for Current and IPS Plans include Medical Supplies, Office of the Medical Director, Continuing Medical Education, Ambulance Billing Personnel & Operating, EMS /
Motorola Radio Maintenance, Defibrillator Maintenance, Intergovernmental Services, Capital Outlay, Transfer to Property Appraiser & Tax Collector

Sanford & Millican Proposal does not break out Non-Emergency and Emergency Transports.

10/3 Program Support - plan does not provide detail as to what functions/costs will be paid for with the \$10.2 Million. For purposes of this chart, \$10.2 Million was allocated in propoi

Sanford Capital Includes the purchase of 25 rescues and 100 units for electronic patient care reporting

10/3 Capital Includes purchase of 31 Rescues & equipment at \$210,000

Medical First Responder Program Support for Current & IPS plans includes \$831,470 capital for EKG equipment, \$231,470 paid for with EMS Grant Funds

FY 10/11 EMS PROGRAM SUPPORT EXPENDITURES

	<u>Total</u>	<u>Ambulance Program</u>	<u>MFR Program</u>
Program Support Expenditures			
- Bayflite	\$312,500	0	\$312,500
- Eckerd Water Rescue	\$32,450	0	\$32,450
- Office of the Medical Director	\$1,218,710	\$304,680	\$914,030
- SPC - Continuing Medical Education - Paramedics/EMT's	\$450,230	\$112,560	\$337,670
- Intergov't Charges (allocations for services provided from other County Departments)	\$2,171,580	\$1,474,270	\$697,310
- Ambulance Contract - Medical Supplies	\$3,150,000	\$2,150,000	\$1,000,000
- Ambulance Billing Function	\$3,145,460	\$3,145,460	
- Operating (See Note 1 for Detail)	\$1,570,579	\$819,979	\$750,600
- Tax Collector	\$620,890	\$0	\$620,890
- Property Appraiser	\$375,000	\$0	\$375,000
- EKG Monitor Equipment	\$831,470	\$0	\$831,470
Total Program Support	\$13,878,869	\$8,006,949	\$5,871,920

Note 1 - Defibrillator Maintenance, First Watch - EMS System Monitoring Software, Motorola Radio Maintenance, EMS Administration

**Union (Sanford/Millican) Fire Based Transport Proposal -
Uncosted Items**

	Issue	Type	Description	Additional Unit Cost	Quantity	Total Cost
1	MFR Deployment	Understated	The report states that the MFR division will operate with 60 ALS first responder units. No deployment plan or methodology was provided to substantiate this number. According to the IPS MFR deployment analysis; a minimum of 72 first responder units would be required to meet the current performance standard.	\$360,000	12	\$4,320,000
	- Subtotal MFR					\$4,320,000
2	Impact Bargaining	Uncosted	During previous Fire Department transport discussions, fire union officials indicated that each fire union local would bargain within their city or fire district based on the impact of ambulance transport on their members. The Pinellas County Council of Firefighters financial abstract for Hybrid Transport in 2009 included a five percent (5%) salary increase for Firefighter Paramedics assigned to transport duties.	5%	\$30,960,000	\$1,548,000
3	Field Supervision	Understated	The proposal does not have an allowance for field supervision. Currently, St. Petersburg and Clearwater have a supervisor for every 5 Rescue Units. The current private providers Ambulance Supervision plan is for a North, Mid and South Supervisor.	\$113,889	11	\$1,230,000
4	Ambulance Fleet	Understated	The proposal includes the purchase of front line ambulances; but does not adequately address the reserve unit needs.	\$200,000	2	\$400,000
5	Dispatch	Understated	The proposal allocates only 10 FTEs. Based upon a 40 hour workweek this is less than 3 personnel 24/7 (which would require 9 FTEs). Two dispatchers cannot dispatch, track and manage 51 Rescue Ambulances. The current Tactical Channels are too busy to significantly increase the call load on the channels. The minimum staffing must be a Dispatcher and 2 Radio Operators 24/7 x 9 FTEs = 27 FTEs.	\$65,250	17	\$1,109,250
6	Reserve	Uncosted	The Proposal does not have an allowance for Reserve for Contingency. The current requirement is a \$1 Million Letter of Credit	\$1,000,000	1	\$1,000,000
7	Ambulance Deployment	Understated	The report states that the fire transport system will operate with 35 full time and 16 peak load ambulances. According to the IPS fire department transport deployment analysis; a minimum of 53 ambulances would be required to meet the current performance standard.	\$360,000	2	\$720,000
8	Ambulance Fuel	Understated	The proposal allocates \$8,500 per unit for fuel. Total allocation for 51 units would be \$433,500. Current fuel budget for Sunstar is \$1,093,411. This also does not account for Medium Duty Rescues versus Type III fuel mileage	\$12,939	51	\$659,911
9	CAD	Understated	The proposal does not have an allowance for the necessary hardware, software or automated tools for dispatching Ambulances.	\$500,000	1	\$500,000
10	Bed Delays	Understated	Hospital Bed Delays	\$450,000	1	\$450,000
11	Long Distance Transfers	Uncosted	The report states they will charge the firefighters hourly rate for long distance transports.	\$116	1500	\$174,480
12	Ambulance Stand by	Uncosted	Dedicated Stand By Services	\$92	1300	\$119,197
13	Materials Fleet	Uncosted	There is no cost listed for the purchase of a Medical Supply delivery truck	\$45,000	1	\$45,000
14	Ambulance Cost Allocation	Uncosted	Many cities will not receive adequate funding to cover the full cost for providing ambulance service - see attached analysis			\$7,245,923
15	Ambulance Oversight	Uncosted	Centralized office with dedicated oversight staff			Unknown Fiscal Impact
16	HIPAA	Uncosted	Fragmented system will create additional management issues with the HIPAA program.			Unknown Fiscal Impact
17	Ambulance Billing	Uncosted	Separate licenses may cause Billing and Collection impacts.			Unknown Fiscal Impact
18	New County Positions	Uncosted	Did not include the increase in indirect cost allocations from other county departments, i.e., Human Resources, Risk Management, Clerk's Payroll, BTS, that will result from increasing employee head count of 23 new County employees			Unknown Fiscal Impact
	- Subtotal Ambulance					\$15,201,761
					TOTAL	\$19,521,761

Personnel Cost Shifting to Cities/Fire Districts - Union (Sanford/Millican) Fire Based Transport Proposal

Purpose - To determine the personnel costs that the Cities/Fire Districts would fund that are over and above funding provided by the Union (Sanford/Millican) Fire Based Transport Proposal.

Scope & Source - Paramedic Cost Per Fire District (FD) based the following data taken from FY 10-11 MFR Budgets submitted by each FD.

- Each Fire District's average paramedic salary and benefits
- Formula is # of transport units times each FD average paramedic salary & benefit costs times each FD continuous staffing multiplier
- A peak time transport unit requires funding for 4 Paramedics plus the staffing multiplier
- The Paid Time Off for each agency was reduced by 30% and reflected in the continuous staffing multiplier to adjust for 12 hour accrual rates
- A 24 hour transport unit requires funding for 6 Paramedics plus the staffing multiplier

Conclusion - \$7.2 Million would need to be absorbed by the Cities/Fire Districts. Nine of the 18 Cities/Fire Districts would be absorbing costs over and above funding provided by the Union (Sanford/Millican) Proposal.

Fire Agency	Average Salary & Benefits	# of Ambulances	Peak Time Units	Paramedic Cost Per Fire District	Funding Per Union (Sanford/Millican) Proposal	Excess Funding	Costs to be funded by Cities/Fire Districts
Clearwater	\$85,351	5	3	\$4,505,332.90	\$4,680,000.00	\$174,667.10	
Dunedin	\$96,739	2	0	\$1,342,743.50	\$1,440,000.00	\$97,256.50	
East Lake	\$97,643	1	0	\$671,786.32	\$720,000.00	\$48,213.68	
Gulf Port	\$85,982	0	0	\$0.00	\$0.00	-	
Largo	\$103,914	3	2	\$3,404,599.04	\$2,880,000.00		-\$524,599.04
Lealman	\$108,871	2	1	\$1,998,208.60	\$1,800,000.00		-\$198,208.60
Madiera Beach	\$80,658	0	0	\$0.00	\$0.00	-	
Oldsmar	\$94,619	0	1	\$432,466.32	\$360,000.00		-\$72,466.32
Palm Harbor	\$111,447	2	1	\$2,075,281.53	\$1,800,000.00		-\$275,281.53
Pinellas Park	\$95,550	3	0	\$1,983,611.74	\$2,160,000.00	\$176,388.26	
Pinellas Suncoast	\$111,142	1	0	\$860,242.85	\$720,000.00		-\$140,242.85
Safety Harbor	\$107,392	1	0	\$753,891.99	\$720,000.00		-\$33,891.99
Seminole	\$90,240	2	1	\$1,853,756.98	\$1,800,000.00		-\$53,756.98
South Pasadena	\$90,844	1	0	\$615,920.27	\$720,000.00	\$104,079.73	
St. Pete Beach	\$89,567	1	0	\$675,334.43	\$720,000.00	\$44,665.57	
St. Petersburg	\$134,000	10	6	\$15,186,518.78	\$9,360,000.00		-\$5,826,518.78
Tarpon Springs	\$95,210	1	1	\$1,200,956.46	\$1,080,000.00		-\$120,956.46
Treasure Island	\$93,006	0	0	\$0.00	\$0.00	-	
Total		35	16	\$37,560,651.71	\$30,960,000.00	\$645,270.83	-\$7,245,922.54

10/3 Fire Based Transport Proposal - Uncosted Items

	Issue	Type	Description	Unit Cost	Quantity	Total Cost
1	MFR Deployment	Understated	The report states that the MFR division will operate with 45 ALS first responder units. According to the IPS MFR deployment analysis; a minimum of 72 first responder units would be required to meet the current performance standard.	\$379,000	27	\$10,233,000
	- Subtotal MFR					\$10,233,000
2	Impact Bargaining	Uncosted	During previous Fire Department transport discussions, fire union officials indicated that each fire union local would bargain within their city or fire district based on the impact of ambulance transport on their members.	5%	\$32,292,000	\$1,614,600
3	Field Supervision	Understated	The proposal does not have an allowance for field supervision. Currently, St. Petersburg and Clearwater have a supervisor for every 5 Rescue Units. The current Ambulance Supervision plan is for a North, Mid and South Supervisor.	\$113,889	11	\$1,230,000
4	Dispatch	Understated	Tracking and coordinating 46 Ambulances would require a dedicated Dispatcher and 2 Radio Operators at a minimum. The current Tactical Channels are too busy to significantly increase the call load on the channels.	\$65,250	15	\$978,750
5	Reserve	Uncosted	The Proposal does not have an allowance for Reserve for Contingency. The current requirement is a \$1 Million Letter of Credit	\$1,000,000	1	\$1,000,000
6	Ambulance Deployment	Understated	The report states that the fire transport system will operate with 46 full time ambulances. According to the IPS fire department transport deployment analysis; a minimum of 53 ambulances would be required to meet the current emergency response performance standard.	\$758,000	7	\$5,306,000
7	Ambulance Fuel	Understated	The proposal allocates \$6,300 per unit for fuel. Total allocation for 46 units would be \$289,800. Current fuel budget for Sunstar is \$1,093,411. 70% (emergency calls only) of the current fuel cost equals \$765,388. This also does not account for Medium Duty Rescues versus Type III fuel mileage.	\$16,639	46	\$765,394
8	CAD	Uncosted	The proposal does not have an allowance for the necessary hardware, software or automated tools for dispatching Ambulances.	\$500,000	1	\$500,000
9	Bed Delays	Uncosted	Hospital Bed Delays	\$450,000	1	\$450,000
10	EPCR	Uncosted	The purchase cost of EPCR is not included (46 Rescues + 14 Spares)	\$6,650	60	\$399,000
11	Non-Emergency/Stand-by	Understated	Proposed cost for non emergency transports, specialty transports such as Critical Care, All Childrens Hospital, Mental Health and Stand By services are understated.	\$957,522	1	\$957,522
12	Program Support	Understated	"Oversight and Other Associated Costs" or Program Support Costs to include ambulance billing, continuing professional education, Office of the Medical Director, Motorola Radio Maintenance, Property Appraiser and Tax Collector, EMS Systemwide Medical Supplies etc... are understated. (Current Cost net of EMS Grant \$13,302,480 - Proposed Cost \$10,200,000)	\$3,102,480	1	\$3,102,480
13	Ambulance Cost Allocation	Uncosted	Many cities will not receive adequate funding to cover the full cost for providing ambulance service	\$5,570,910	1	\$5,570,910
14	Ambulance Oversight	Uncosted	Centralized office with dedicated oversight staff	Unkown Fiscal Impact		
15	HIPAA	Uncosted	Fragmented system will create additional management issues with the HIPAA program.	Unkown Fiscal Impact		
16	Ambulance Billing	Uncosted	Separate licenses may cause Billing and Collection impacts.	Unkown Fiscal Impact		
	- Subtotal Ambulance					\$21,874,656
	Total					\$32,107,656

Personnel Cost Shifting to Cities/Fire Districts - 10/3 Fire Based Transport Proposal

- Purpose** - To determine the personnel costs that the Cities/Fire Districts would fund that are over and above funding provided by the 10/3 Fire Based Transport Proposal.
- Scope & Source** - Paramedic Cost Per Fire District (FD) based the following data taken from FY 10-11 MFR Budgets submitted by each FD.
- Each Fire District's average paramedic salary and benefits
 - Formula is # of transport units times each FD average paramedic salary & benefit costs times each FD continuous staffing multiplier
 - A 24 hour transport unit requires funding for 6 Paramedics plus the staffing multiplier
- Conclusion** - \$5.6 Million would need to be absorbed by the Cities/Fire Districts. Six of the 18 Cities/Fire Districts would be absorbing costs over and above funding provided by the 10/3 Fire Based Transport Proposal. The model provides excess funding of \$861,378. to 12 Cities/FD.

Fire Agency	Average Salary & Benefits	# of Ambulances	Paramedic Cost		Excess Funding	Costs to be funded by Cities/Fire Districts
			Per Fire District	Funding Per 10/3		
Clearwater	\$85,351	7	\$4,528,706.63	\$4,914,000.00	\$385,293.37	
Dunedin	\$96,739	2	\$1,342,743.50	\$1,404,000.00	\$61,256.50	
East Lake	\$97,643	1	\$671,786.32	\$702,000.00	\$30,213.68	
Gulf Port	\$85,982	1	\$613,908.53	\$702,000.00	\$88,091.47	
Largo	\$103,914	6	\$4,738,481.14	\$4,212,000.00		-\$526,481.14
Lealman	\$108,871	3	\$2,253,623.47	\$2,106,000.00		-\$147,623.47
Madiera Beach	\$80,658	0	\$0.00	\$0.00	-	-
Oldsmar	\$94,619	1	\$654,765.46	\$702,000.00	\$47,234.54	
Palm Harbor	\$111,447	2	\$1,560,259.15	\$1,404,000.00		-\$156,259.15
Pinellas Park	\$95,550	3	\$1,983,611.74	\$2,106,000.00	\$122,388.26	
Pinellas Suncoast	\$111,142	0	\$0.00	\$0.00	-	-
Safety Harbor	\$107,392	1	\$753,891.99	\$702,000.00		-\$51,891.99
Seminole	\$90,240	4	\$2,793,844.87	\$2,808,000.00	\$14,155.13	
South Pasadena	\$90,844	1	\$615,920.27	\$702,000.00	\$86,079.73	
St. Pete Beach	\$89,567	1	\$675,334.43	\$702,000.00	\$26,665.57	
St. Petersburg	\$134,000	12	\$13,089,151.58	\$8,424,000.00		-\$4,665,151.58
Tarpon Springs	\$95,210	1	\$725,502.19	\$702,000.00		-\$23,502.19
Treasure Island	\$93,006	0	\$0.00	\$0.00	-	-
Total		46	\$37,001,531.26	\$32,292,000.00	\$861,378.24	-\$5,570,909.51