

# CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

## Policy Session Worksheet

**Presentation Date:** 12/15/2020 **Approx. Start Time:** 3:30pm **Approx. Length:** 30 minutes

**Presentation Title:** Amendment to the Ambulance Services Contract

**Department:** H3S / Public Health Division

**Presenters:** Richard Swift, Health, Housing and Human Services Director; Philip Mason-Joyner, Public Health Director

**Other Invitees:**

William Conway, EMS Coordinator; Andrew Naylor, County Counsel

**WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?**

Review of attached amendment and resolution for submission to consent agenda for BCC Business meeting on December 17.

**EXECUTIVE SUMMARY:**

As the Local Public Health Authority, Clackamas County has the responsibility through the Public Health Division to provide medical oversight, overall coordination, and contract compliance for Emergency Medical Services (EMS) in the Clackamas Ambulance Service Area (ASA).

On December 8<sup>th</sup>, 2020 the Clackamas County Board of Commissioners directed staff to work on drafting a contract amendment, which signifies the intent for the County, AMR, and EMS stakeholders to work on a performance-based extension process. This amendment will provide the time to develop a performance based contract amendment that ensures the continued advancement, enhancement, and innovation across the EMS system in Clackamas County.

**FINANCIAL IMPLICATIONS (current year and ongoing):**

Is this item in your current budget?  YES  NO

What is the cost? Approximately \$6 million annually

What is the funding source? Clackamas County residents who pay transport fee as set by ambulance services contract.

**STRATEGIC PLAN ALIGNMENT:**

- How does this item align with your Department's Strategic Business Plan goals?
  - Monthly contract compliance for emergency medical services is a key performance measure incorporated into the County's annual budgeting process.
- How does this item align with the County's Performance Clackamas goals?
  - Ensure safe, healthy & secure communities.

**LEGAL/POLICY REQUIREMENTS:**

This contract amendment requires approval by the Board of County Commissioners.

**PUBLIC/GOVERNMENTAL PARTICIPATION:**

N/A

**OPTIONS:**

1. Instruct staff to submit contract amendment on the consent agenda during the December 17 Board of County Commissioners Business Meeting.
2. Take no action and reserve future amendments until closer to the current contract's expiration date (May 2024).
3. Instruct staff on an alternative approach.

**RECOMMENDATION:**

Public Health Division staff recommend that the Board of County Commissioners Instruct staff to submit contract amendment on the consent agenda during the December 17 Board of County Commissioners Business Meeting

**ATTACHMENTS:**

- PowerPoint presentation slides
- Amendment
- Resolution

**SUBMITTED BY:**

Division Director/Head Approval \_\_\_\_\_  
Department Director/Head Approval \_\_\_\_\_  
County Administrator Approval \_\_\_\_\_



For information on this issue or copies of attachments, please contact: Richard Swift @ 503-650-5694

**AMENDMENT #2**

**TO THE AMBULANCE CONTRACT BETWEEN CLACKAMAS COUNTY AND AMERICAN MEDICAL RESPONSE NORTHWEST, INC.**

This Amendment #2 is entered into by and between Clackamas County, a political subdivision of the State of Oregon (“County”), and American Medical Response Northwest, Inc. (“Contractor”) and shall become part of the Contract entered into between both parties on May 1, 2014 (“Contract”).

Recitals

County desires to amend the Contract’s Service and Term provisions to incorporate a performance-based structure. Under this structure, the Contract term shall be extended for additional periods of time provided Contractor meets or exceeds specific criteria and performance metrics. Response times will no longer be the primary metric by which Contractor’s performance is evaluated.

The criteria and performance metrics to be used in evaluating Contractor under the amended performance-based structure are currently being developed by the County, with assistance and input from the Clackamas County Emergency Medical Services Council (“EMS”) and other County partners, such as local fire agencies and Contractor.

The parties desire to enter into this Amendment #2 to identify the framework in which negotiations will occur with the goal of ultimately amending the Contract to provide for a new performance-based structure, as well as to identify the key elements the parties anticipate will be included in a performance-based contract.

Now, therefore, for good and valuable consideration, the parties agree as follows:

Terms

1. The parties will negotiate, in good faith, to amend Section 1, Service and Term, to remove the existing Contract term and replace it with a performance-based ongoing Contract term. The parties expect key elements of this structure may include the following:
  - a. Term. A new Contract termination date will be established that may be extended based upon the criteria described below.
  - b. Evaluation and Extensions. Contractor’s performance under the Agreement shall be reviewed and audited in a time frame agreed to by parties, which is expected to be between 18-24 months. If Contractor’s performance meets or exceeds the metrics, standards, and other criteria established by the County, in coordination with the EMS and other partners, the Contract termination date will automatically be extended. The following is an example of how performance metrics will govern extension periods:

<b>Rating</b>	<b>Score</b>	<b>Renewal Amount</b>
<b>Exceptions</b>	95-100%	Extension periods TBD
<b>Very Good</b>	92-94%	
<b>Good</b>	90-93%	
<b>Fair</b>	80-89%	

Poor	79% or below	No extension and corrective action required/possible termination
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- c. Evaluation Criteria. The performance criteria established by the County may include existing performance metrics under the Contract (e.g. Section 5, Response Time Requirements) as well as additional metrics and criteria the County is currently developing (collectively, the “Performance Measures”). County anticipates the following additional criteria may be included in the Performance Measures:
  - i. Clinical performance elements focusing on patient needs and evidence-based clinical outcomes;
  - ii. Operational performance elements to ensure continued operational readiness, reliability and efficiency;
  - iii. Revised response time criteria to ensure more equitable access to service throughout service area;
  - iv. Identification and tracking of use of 911 systems for non-emergency transport purposes;
  - v. Other criteria as may be agreed upon by the parties.
- d. Remediation and Termination. The parties will negotiate, in good faith, to establish remedies in the event Contractor fails to meet or exceed the Performance Measures. Such remedies will include limiting the number of years in which the Contract may be extended and requiring immediate corrective action and a remediation plan demonstrating what steps Contractor is or will be taking to address the failures. Continued failure to meet the Performance Measures shall constitute grounds for termination of the Contract.
- e. Renegotiation Events. The parties will negotiate, in good faith, to identify certain events that shall be grounds for renegotiation of the Contract. These events are ones that require reassessment of the Contract and its Performance Measures in light of changes in the law, the County’s strategic plans and goals, and innovations in the emergency medical and ambulance industry. The County anticipates the following events will be grounds to renegotiate the Contract:
  - i. *Ambulance Service Plan Amendments.* Upon notice by the County to the Contractor of proposed or actual Ambulance Service Plan Amendments under ORS Chapter 682;
  - ii. *Strategic Plan.* Upon notice by the County to the Contractor of a proposed or actual change to the County’s Emergency Medical Services Strategic Plan;
  - iii. *Change in Law.* Upon notice by the County to the Contractor of any change in applicable law including, but not limited to ORS Chapter 682 and Clackamas County Code Title 10.1, that County determines, in its reasonable discretion, will have a substantial impact on the Contract. As used herein, “substantial impact” includes, but is not limited to, standards of performance, provider selection criteria, and related matters.
- f. Termination for Convenience. The parties will negotiate, in good faith, to include a termination for convenience clause. The clause will permit either party to terminate the Contract with or without cause. County anticipates the clause will contain the following elements:

- i. In the event of termination, Contractor shall continue to provide services and otherwise perform under the Contract during the time period between receipt of County’s termination for convenience notice and the termination of the Agreement (the “Lame Duck Period”) pursuant to Section 27 of the Contract;
  - ii. Contractor shall cooperate with the County in effectuating a safe and orderly transition to a new ambulance service provider, if applicable;
  - iii. Contractor shall cease performing emergency ambulance business in the ASA after the end of the Lame Duck Period and assert no claim of right to emergency ambulance business in the ASA, nor assert any claim of compensation owed relative to the loss of such business.
  - iv. Contractor shall take all necessary steps, and execute and deliver any and all necessary written instruments, reasonably requested by County to assist in the orderly termination of the Contract.
- g. Additional Terms and Conditions. The parties will negotiate, in good faith, to amend any terms and conditions of the Contract as mutually agreed upon which may include but is not limited to the following:
- i. Establish daily unit hour utilization minimum requirements
  - ii. Develop a surge plan to address situations where Contractor is unable to respond to emergencies, utilizing metrics developed by the County in coordination with the EMS;
  - iii. Establish a process for equipment standardization and future modifications and upgrades;
  - iv. Establish interoperability software platforms between County, Contractor, and local partners to support quality patient care.
  - v. Establish detailed Contractor reporting requirements in substantially the manner detailed in the EMS November 25, 2020 correspondence as attachment B, a copy of which is attached hereto as Exhibit A and incorporated by this reference herein.
  - vi. Any other agreed upon addition or amendment to the Contract.

**2. Negotiation Term.** The obligation to negotiate, in good faith, pursuant to the terms of this Amendment #2 shall terminate on January 1, 2022. Nothing herein shall be construed as changing the current Contract termination date of May 1, 2024.

Except as expressly amended above, all other terms and conditions of the Contract shall remain in full force and effect. By signature below, the parties agree to this Amendment #2, effective upon the date of the last signature below.

<b>CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS</b>	<b>AMERICAN MEDICAL RESPONSE NORTHWEST, INC.</b>
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James Bernard, Chair

\_\_\_\_\_  
Date

ATTEST:

\_\_\_\_\_  
Clerk of the Board

APPROVED AS TO FORM:

\_\_\_\_\_  
County Counsel

Edward B. Van Horne, President & CEO

\_\_\_\_\_  
Date

**BEFORE THE BOARD OF COUNTY COMMISSIONERS  
OF CLACKAMAS COUNTY, STATE OF OREGON**

In the Matter of Establishing a  
Perform Service Resolution No. \_\_\_\_\_  
Clackam



Whereas, on or about May 1, 2014, Clackamas County, a political subdivision of the State of Oregon ("County"), and American Medical Response Northwest, Inc. ("AMS") entered into a contract to provide ambulance services, pursuant to Clackamas County Code Title 10.1 ("Contract");

Whereas, the County desires to amend the Contract's service and term provisions to incorporate a performance-based structure. Under this structure, the Contract term shall be extended for additional periods of time provided Contractor meets or exceeds specific criteria and performance metrics. The County expects the new structure to provide more efficient, effective, and consistent service to the County while adopting innovative improvements to ambulance and emergency medical services currently provided under the Contract;

Whereas, the criteria and performance metrics to be used in evaluating Contractor under the amended performance-based structure would be developed by the County, with assistance and input from the Clackamas County Emergency Medical Services Council ("EMS") and other County partners, such as local fire agencies;

Whereas the County and AMR anticipate entering into an amendment to the Contract that provides a framework in which negotiations will occur with the goal of ultimately amending the Contract to provide for a new performance-based structure, as well as to identify the key elements the parties anticipate will be included in a performance-based contract.

**NOW, THEREFORE IT IS HEREBY RESOLVED**, the Board of County Commissions does hereby:

1. Intend to pursue, in good faith, to adopt a performance-based structure for ambulance service contracts under Clackamas County Code Title 10.1; and
2. Intend to negotiate, in good faith, with Contractor towards a potential amendment to the Contract to adopt a performance-based structure.

**DATED** this \_\_\_\_ day of December, 2020.

**BOARD OF COUNTY COMMISSIONERS**

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Chair

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Recording Secretary





# Amendment to the Ambulance Services Contract

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CLACKAMAS COUNTY  
DECEMBER 15<sup>TH</sup>, 2020

Health, Housing  
& Human Services   
CLACKAMAS COUNTY




# Background

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The Clackamas County Board of Commissioners has requested County staff to work on drafting a contract amendment, which signifies the intent for the County, AMR, and EMS stakeholders to work on a performance-based extension process.

## **Goal Statement**


To provide the framework to improve the contractual structure for the provision of ambulance service delivery in the Clackamas Ambulance Service Area that enables the continued advancement, enhancement, and innovation across the system.



# HIGHLIGHTS OF AMENDMENT #2


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The County and AMR desire to enter into this amendment to identify the framework in which negotiations will occur with the goal of ultimately amending the Contract to provide for a new performance-based structure, as well as to identify the key elements the parties anticipate will be included in a performance-based contract. Those elements are expected to include the following:

- Term: A new Contract termination date will be established that may be extended based upon criteria to be developed.
  - Evaluation and Extensions: Contractor's performance under the Agreement shall be reviewed and audited in a time frame agreed to by parties, which is expected to be between 18-24 months.
  - Evaluation Criteria: The performance criteria established by the County may include existing performance metrics under the Contract as well as additional metrics and criteria the County is currently developing with input from the EMS Council and other EMS stakeholders.
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# HIGHLIGHTS OF AMENDMENT #2

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- Additional Terms and Conditions. The parties will negotiate, in good faith, to amend any terms and conditions of the Contract as mutually agreed upon which may include but is not limited to the following:
    - Establish daily unit hour utilization minimum requirements
    - Establish a process for equipment standardization and future modifications and upgrades
    - Establish interoperability software platforms between County, Contractor, and local partners to support quality patient care
    - Establish detailed Contractor reporting requirements
  - Negotiation Term: The obligation to negotiate, in good faith, pursuant to the terms of this Amendment #2 shall terminate on January 1, 2022
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# TIMELINE AND MILESTONES

Milestone	Completion Date
Develop Clinical/Operational Performance Elements and Indicators	January – April 2021
Collect/Analyze Response Time Data – Update Response Time Standards	January – April 2021
Research/Develop Community Equity Zones	January – April 2021
Develop Surge Plan Requirements	January – April 2021
Develop Audit Process & Tool	May – July 2021
Receive and evaluate Stakeholder Feedback	July 2021
Complete Draft Contract	August 2021
Negotiate with AMR	August - September 2021
Present Final Contract Draft to BCC	October 2021
BCC Approval	November 2021
New Contract Begins	January 2022

# QUESTIONS

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