

**AMENDED AND RESTATED  
ADMINISTRATIVE AGREEMENT  
FOR THE PROVISION OF  
EMERGENCY MEDICAL RESPONSE SUPPORT SERVICES  
[CHULA VISTA]**

This ADMINISTRATIVE AGREEMENT FOR THE PROVISION OF EMERGENCY MEDICAL RESPONSE SUPPORT SERVICES [CHULA VISTA] ("Agreement") is entered into effective as of October 1, 2018 ("Effective Date") by and between AMERICAN MEDICAL RESPONSE AMBULANCE SERVICE, INC., formerly known as Laidlaw Medical Transportation, Inc., d/b/a American Medical Response ("AMR") and the CITY OF CHULA VISTA, a chartered municipal corporation ("City"), with reference to the following facts:

A. Concurrently herewith, City, AMR, the City of Imperial Beach ("Imperial Beach"), and the Bonita/Sunnyside Fire Protection District ("District") are entering into that certain Amended and Restated Agreement for Basic and Advanced Life Support Ambulance Services (the "EOA Agreement"), whereby AMR agreed to provide emergency ambulance services for the City, Imperial Beach and the District (collectively, the "Participating Agencies") within their defined "exclusive operating area" ("EOA"). City, AMR and/or its predecessor companies have been providing ambulance transport in the same manner and scope within the EOA since prior to 1980.

B. Sections 10 and 22 of the EOA Agreement provide each participating agency with the authority to enter into agreements with AMR that modify EOA Agreement requirements and standards within their respective jurisdictions and/or allow for AMR to subcontract for ALS First Responder Services therein.

C. In accordance with this authority, City and AMR desire to enter into this Agreement in order to provide for specific terms and standards for the administration of emergency medical response and transport services within the City.

NOW, THEREFORE, in consideration of the foregoing premises, and for good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge, the parties agree as follows:

1. Contract for Services.

1.1. City Services.

1.1.1 In General. In order to facilitate performance by AMR of its obligations within the City under the EOA Agreement, and to improve the availability of advanced life support services provided within the City, AMR agrees to contract with City for City to provide to AMR certain emergency medical

response and transportation support services (“Support Services:”). City supplied Support Services shall include the following: (1) emergency medical dispatch services which are purchased by City from the City of San Diego (“Dispatch”); (2) on-scene advanced life support equipment, and supplies (“ALS Equipment and Supplies”); (3) Zoll Defibrillator/Monitors as standard equipment on each of the first responder engines within the City (“Defibrillators”); (4) EOA contract oversight and administration (“Contract Oversight and Administration”); and (5) first responder advanced life support services delivered using fire engines and trucks (“FRALS Services”).

1.1.2 Service Standards. City shall provide AMR with Support Services in accordance with mutually agreed specifications and protocols. At a minimum, all Support Services shall be provided in accordance with (a) all applicable federal, state and local laws and regulations, including, without limitation the Emergency Medical Services System and Pre hospital Emergency Medical Care Personnel Act set forth in California Health and Safety Code Sections 1797, *et seq*; and regulations thereunder, and (b) any and all applicable standards and requirements set forth in City’s agreement with the County of San Diego entered into effective June 1, 1991 regarding the provision of “EMT-Paramedic Services” within the EOA (the “County/City EMS Agreement”).

1.2 Coordination and Adjustments in AMR Services.

1.2.1 Response Time Requirements.

a. AMR shall respond to ALS emergency calls and reported structure fires, in accordance with the response standards set forth in Sections 1.2 and 1.3 of the EOA Agreement within the City’s response zone.

b. At reported structure fires, AMR transport vehicles so dispatched shall remain on site until released by the City’s incident commander.

c. AMR shall utilize third party mutual aid support as necessary to meet response time requirements.

1.2.2 Paramedic Coordination, Transport and Staffing. Whenever City’s paramedic is the actual “first responder” that initiates care, City’s paramedic shall make clinical decisions until such time as an AMR paramedic arrives at the scene. Upon arrival, and after consultation with the City’s paramedic, AMR’s paramedic may assume medical control to make decisions regarding treatment, transport destination, and whether the City paramedic needs to accompany the patient to the hospital. The paramedics from the City and AMR shall work together to provide patient care on scene and en route to the hospital. In the event of a dispute between City’s paramedic and AMR’s paramedic, such dispute shall be resolved through base hospital medical direction. AMR shall be responsible for arranging and paying all costs to transport City’s paramedic(s) back to the station to which such paramedic(s) are assigned, as soon as possible following arrival of the ambulance

at the hospital; provided, however, City agrees that if a patient is transported to Scripps Chula Vista or Sharp Chula Vista hospitals, City shall pick up City's paramedic(s) at such facility at no cost to AMR.

1.2.3. Additional Requirements and Implementing Agreements. Any additional system specifications or protocols, or agreements that modify or implement the specifications and protocols already set forth in this Section 1 shall be agreed upon by the parties, memorialized in writing and attached hereto as **Appendix 1.**

2. Payments to City for EMR Support Services.

2.1 In General. In consideration of City's agreement to provide Support Services, AMR agrees to make payments to the City in quarterly installments (the "Quarterly Support Services Payment") in the initial amount of \$652,226 per quarter. The amount for the Quarterly Support Services Payments to the City is based on City's annual costs for Support Services. Quarterly Support Services payments shall be increased in each year of the term to account for increased city service costs. City costs for Support Services, including the projected annual increases, are more particularly set forth on Exhibit A attached hereto.

2.2 Payment Schedule. The first Quarterly Support Services Payment shall be due and payable in arrears January 1, 2019, for the period October 1, 2018 through December 31, 2018. Thereafter, each subsequent Quarterly Support Services Payment shall be due and payable, in arrears, on each April 1<sup>st</sup>, July 1<sup>st</sup>, October 1<sup>st</sup> and January 1<sup>st</sup> thereafter, throughout the remaining term of this Agreement.

2.3 Authority. The parties acknowledge and agree that the City's rights to, and the amount of, the Quarterly Support Services Payment was negotiated and agreed to based upon each party's consideration of the following facts: (a) City's lawful authority with respect to the delivery of emergency medical services within the EOA and the City; (b) the City projected its Quarterly cost for the Support Services it is providing AMR hereunder to be in excess of the Quarterly Support Services Payment to be paid by AMR in consideration for such services; (c) AMR's determination that the Quarterly Support Services provide value to the services that it delivers within the City under the EOA Agreement that is equal to or greater than the value of the Quarterly Support Services Payments; and (d) the parties have determined that the Quarterly Support Payments are consistent with the types of payments approved in advisory opinions issued by the Office of Inspector General of the Department of Health and Human Services and with the OIG's Compliance Program Guidance for Ambulance Suppliers.

2.4 Potential for Additional Cost Recovery and/or System Enhancements.

2.4.1 In addition to the Support Services for which City is compensated hereunder, City provides additional EMR support services, and incurs additional costs in connection therewith, for which, currently, City receives no compensation

hereunder. The parties agree to meet and confer in order to evaluate such additional costs and to determine what, if any, additional compensation should be provided to City on a prospective basis as consideration therefor, consistent with all applicable laws, generally accepted accounting principles, and the parties mutual desire to maintain superior clinical care, meet changes in technology and clinical advancements, and maintain competitive and reasonably priced medical transport rates within City boundaries. Any changes under this Section shall be set forth in a written agreement between the parties.

2.4.2 In the event that City requests additional services or system enhancements from AMR above and beyond that required by prevailing industry standards or applicable laws and regulations, AMR may request additional compensation to offset additional costs related thereto and City agrees to meet and confer with AMR to negotiate same.

3. Maximum Authorized Base Rate. AMR’s maximum “Base Rates” per transport as set forth in the EOA Agreement may be increased so that the maximum adjusted Base Rates within the City (“Maximum City Base Rates”) shall be as follows:

	October 1, 2018	October 1, 2019	October 1, 2020
ALS1	\$2,967.48	\$3,434.44	\$3,881.56
ALS2	\$3,147.57	\$3,614.53	\$4,061.65
BLS Svcs	\$1,076.11	\$1,183.72	\$1,302.09

Ancillary rates may be adjusted from time-to-time by AMR in accordance with the EOA Agreement.

4. Material Change. In the event of a material change or potential material change that will effect a Party, the affected Party shall send written notice to the other Party to meet and confer on the impact of the material change. Material changes may include, but are not limited to, changes in laws, rules, regulations, payer mix, healthcare transportation delivery and utilization, clinical standards, payer reimbursement practices, the costs to provide services and/or a 3% point change to the annual marginal collection rate (from the current 11.4% marginal collection rate, e.g., 8.4% or 14.4%).
5. Term. Unless earlier terminated as provided herein, the term of this Agreement shall run concurrent with the term of the existing EOA Agreement and any extension thereof.
6. Relationship to EOA Agreement and Previous Administrative Agreements. This Agreement shall amend the EOA Agreement as it relates the City and AMR’s operations within City boundaries, but shall not amend the EOA as it relates to the other Participating Agencies. In the event of any inconsistency between this Agreement and the EOA Agreement, the terms of this Agreement shall govern. All previous Administrative Agreements have no further force nor effect.

7. Certification of Costs.

7.1 During the term hereof, on or before November 1<sup>st</sup> each year, City shall certify to AMR that the funding received for Support Services in the prior fiscal year did not exceed the costs to the City of providing such services. In the event that funding received from AMR for Support Services exceeds City's costs incurred in connection therewith for the prior fiscal year by three percent (3%) or more, up or down (a "Material Variation"), the parties shall meet and confer in accordance with Section 4.

7.2 During the term of this Agreement, on or before November 1<sup>st</sup> of each year, AMR will make available to City financial data showing for the 12-month period, the payer mix, number of transports, current collection rate and estimated Marginal Collection Rate for any adjustment to fees. The parties agree that this information will remain proprietary and confidential and shall be utilized by City solely to verify AMR's compliance with the terms of the EOA Agreement and this Agreement, and to determine if amounts being charged are reasonable and necessary. City agrees to assert applicable statutory or case law exemptions to the California Public Records Act in response to third party requests for any proprietary and confidential documentation provided to the City hereunder. AMR shall be required to fund any legal defense resulting from such requests.

8. Compliance. The parties will comply in all material respects with all applicable federal and state laws and regulations including, the federal Anti-kickback statute. The payments set forth in this agreement and the EOA Agreement shall be used only for City emergency medical response services or system enhancements. The City warrants and represents that the payments made by AMR to City shall be less than or equal to the City's calculations of its actual costs to provide those Support Services. No funds shall be used by the City in a manner that may violate 42 U.S.C. Section 1320a-7b, the federal Anti-Kickback Statute.

9. Compliance Program and Code of Conduct. AMR has made available to each party a copy of its Code of Conduct, Anti-kickback policies and other compliance policies, as may be changed from time-to-time, at AMR's web site, located at: [www.amr.net](http://www.amr.net), and each party acknowledges receipt of such documents. AMR warrants that its personnel shall comply with AMR's compliance policies, including training related to the Anti-Kickback Statute.

10. Non-Exclusion. Each party represents and certifies that neither it nor any practitioner who orders or provide services on its behalf hereunder has been convicted of any conduct that constitutes grounds for mandatory exclusion as identified in 42 U.S.C. § 1320a-7(a). Each party further represents and certifies that it is not ineligible to participate in Federal health care programs or in any other state or federal government payment program. Each party agrees that if

DHHS/OIG excludes it, or any of its practitioners or employees who order or provide Services, from participation in Federal health care programs, the party must notify the other party within five (5) days of knowledge of such fact, and the other party may immediately terminate this Agreement, unless the excluded party is a practitioner or employee who immediately discontinues ordering or providing services hereunder.

11. Referrals. It is not the intent of either party that any remuneration, benefit or privilege provided for under this agreement shall influence or in any way be based on the referral or recommended referral by either party of patients to the other party or its affiliated providers, if any, or the purchasing, leasing or ordering of any services other than the specific services described herein or in the EOA Agreement. Any payments specified herein are consistent with what the parties reasonably believe to be a fair market value for the services provided.

12. General Provisions.

12.1 Authority. Each party represents that it has the full right, power and authority to execute this Agreement and to perform its obligations hereunder, without the need for any further action under its governing instruments, and that the parties executing this Agreement on behalf of such party are duly authorized agents with authority to do so.

12.2 Counterparts. This Agreement may be executed in multiple copies, each of which shall be deemed an original, but all of which shall constitute one Agreement after each party has signed such a counterpart.

12.3 Entire Agreement. This Agreement, together with all other agreements expressly referred to herein, constitutes the entire agreement between the parties with respect to the subject matter contained herein. All prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, are superseded.

12.4 Governing Law. This Agreement shall be governed, interpreted, construed and enforced in accordance with federal law, as applicable, and the laws of the State of California.

12.5 No other inducement. The making, execution and delivery of this Agreement by the parties hereto has been induced by no representations, statements, warranties or agreements other than those expressed herein.

12.6 Severability. If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby and each term, provision, covenant or conditions of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

12.7 Remedies; Arbitration. Each party shall have any and all remedies available

at law or in equity to enforce the terms of this Agreement or to resolve any dispute hereunder. Notwithstanding the foregoing, prior to initiating any such remedy, the parties may agree to attempt to resolve their dispute through arbitration. The arbitration shall occur within San Diego County on mutually agreeable terms. Each party shall bear its own costs. The arbitration shall be non-binding unless the parties otherwise agree.

[Signature Page Follows]

**SIGNATURE PAGE**  
**TO ADMINISTRATIVE AGREEMENT**  
**FOR THE PROVISION OF**  
**EMERGENCY MEDICAL RESPONSE SUPPORT SERVICES**  
**[CHULA VISTA]**

IN WITNESS THEREOF, the parties have caused this Agreement to be executed and effective as of the Effective Date.

**“CITY”**  
CITY OF CHULA VISTA

---

Mary Casillas Salas,  
Mayor

---

Attested By  
Kerry Bigelow,  
City Clerk

---

Approved as to form By  
Glen R. Googins,  
City Attorney

**“AMR”**  
AMERICAN MEDICAL RESPONSE AMBULANCE SERVICE, INC.  
a Delaware Corporation

---

Edward B. Van Horne  
President and CEO



## EXHIBIT A

### EMS Program Summary October 2018 to September 2021

	Oct 2018 to Sept 2019	Oct 2019 to Sept 2020	Oct 2020 to Sept 2021
<b>Salaries</b>			
EMS Staff	\$ 545,015	\$ 584,880	\$ 595,702
EMT Differential Pay	\$ 203,766	\$ 219,271	\$ 224,971
Paramedic Differential Pay	\$ 946,172	\$ 1,184,577	\$ 1,344,257
<b>Salary &amp; Benefit Total</b>	<b>\$ 1,694,954</b>	<b>\$ 1,988,728</b>	<b>\$ 2,164,930</b>
<b>Training &amp; Education</b>			
FTO	\$ 3,000	\$ 3,000	\$ 3,000
Cont. Education / Recert Fees	\$ 66,255	\$ 62,309	\$ 71,848
<b>Training &amp; Education Total</b>	<b>\$ 69,255</b>	<b>\$ 65,309</b>	<b>\$ 74,848</b>
<b>Materials, Supplies, &amp; Services</b>			
ALS Equipment	\$ 110,415	\$ 120,556	\$ 123,700
Professional Services	\$ 35	\$ 35	\$ 35
Dispatch	\$ 391,000	\$ 391,000	\$ 391,000
<b>Materials, Supplies, &amp; Services Total</b>	<b>\$ 501,450</b>	<b>\$ 511,591</b>	<b>\$ 514,735</b>
<b>Capital Equipment</b>			
Uniforms	\$ 1,000	\$ 1,000	\$ 1,000
Cardiac Monitors	\$ 214,000	\$ 214,000	\$ 214,000
Fleet Maintenance/Fuel	\$ 42,000	\$ 42,000	\$ 42,000
<b>Capital Equipment Total</b>	<b>\$ 257,000</b>	<b>\$ 257,000</b>	<b>\$ 257,000</b>
<b>7.5% Salary Contingency</b>	<b>\$ 86,246</b>	<b>\$ 105,289</b>	<b>\$ 117,693</b>
	<b>\$ 343,246</b>	<b>\$ 362,289</b>	<b>\$ 374,693</b>
<b>GRAND TOTAL:</b>	<b>\$ 2,608,904</b>	<b>\$ 2,927,916</b>	<b>\$ 3,129,205</b>
Qtrly Pmt	\$ 652,226	\$ 731,979	\$ 782,301