TO: Board of Supervisors  
County Administrative Office  
Auditor Controller  

FROM: Health Services Agency  
(Department)  

BY: (Signature)  
3/09 (Date)  

Signature certifies that appropriations/revenues are available  

Expenditure Agreement ☑  
Revenue Agreement □  

AGREEMENT TYPE (Check One)  

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Public Health (Department/Agency)  
and AMR West, 116 Hubbard St., Santa Cruz, CA 95060 (Name/Address)  

2. The agreement will provide excess ambulance revenue trust funds to offset increase cost of dispatch fees  

3. Period of the agreement is from September 1, 2003 to December 31, 2013 (new)  

4. Anticipated Cost is na  
[ ] Fixed  [ ] Monthly Rate  [ ] Annual Rate  [ ] Not to Exceed  

Remarks: no encumbrance change is needed  

5. Detail:  
[ ] On Continuing Agreements List for FY 08 - 09  
Page CC- 8  
Contract, No: 0127 OR  
[ ] 1st Time Agreement  
[ ] Section II  
No Board letter required, will be listed under Item 8  
[ ] Section III  
Board letter required  
[ ] Section IV  
Revenue Agreement  

6. Appropriations/Revenues are available and are budgeted in 362010 (Index) 3651 (Sub object)  

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60  

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize  

Health Services Agency Director (Dept/Agency Head) to execute on behalf of the  

Health Services Agency (Department/Agency)  

Date: 11/15/19  
By:  
County Administrative Office  

Distribution:  
Board of Supervisors - White  
Auditor Controller - Canary  
Auditor-Controller - Pink  
Department - Gold  

State of California  
County of Santa Cruz  
I, ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Office by an order duly entered in the minutes of said Board on 20  

ADM - 29 (8101)  
Title I, Section 300 Proc Man  
By: Deputy Clerk

AUDITOR-CONTROLLER USE ONLY  

$  
Document No. JE Amount Lines H/TL Keyed By Date  

TC110 $  
Auditor Description Amount Index Sub object User Code
Effective January 31, 2009, the parties hereto agree to amend that certain Emergency Ambulance Transport Services Provider Agreement that went into effect on September 1, 2003, and was subsequently amended on January 1, 2006 and December 16, 2008, (collectively “Agreement”), by and between the COUNTY OF SANTA CRUZ (“County”) and AMERICAN RESPONSE MEDICAL WEST (“Contractor”) by the following:

1. **SECTION 1 - Administration of the Contract and Terms**

   1.2. Term of Contract: Extend termination date to December 31, 2013.

2. **SECTION 4 - Operations**

   4.3. Equipment and Supplies: Add to Paragraph E the following new statement:

   **E. Vehicle Maintenance Program**

   Contractor shall remove emergency response vehicles from primary service under this Agreement at 200,000 miles and will remove emergency response vehicles completely from service under this Agreement at 250,000 miles. Contractor will replace one-third of the current vehicles each calendar year that exceed the mileage limitation (one-third January 1, 2009 – December 31, 2009, one-third January 1, 2010 to December 31, 2010 and the final one-third January 1, 2011 to December 31, 2011). This requirement will be fully implemented by December 31, 2011.

3. **SECTION 10 – Fiscal Requirements**

   10.2 Billing and Collections: Delete existing Paragraphs A and B in their entirety and replace with the following:

   **A.** The current approved rates are located in Exhibit F. As set forth below, these rates will be increased January 1, 2009.

   1. The Contractor shall charge the County approved ALS Base Rate set forth in Exhibit F. Since the County has mandated that the Contractor respond at the ALS level to all calls, the Contractor shall bill the ALS Base Rate set forth in Exhibit F except where prohibited by law, e.g., Medicare or Medicaid.

   **B.** Rate Increases.

   1. Regular and Ordinary Annual Rate Increase for ALS Base Rate: On an annual basis, effective January 1, 2009 and until the termination of this Agreement, the Santa Cruz County ALS Base Rate in Exhibit F shall increase by as set forth in this Section 10.2.B.1. The rate increase request is due to the County EMS Administrator November 1st who will consider the request and approve for implementation the
following January 1st if all requirements are met. In order to transition to this methodology, Contractor will submit the first rate request by December 15, 2008, to be implemented upon approval, and the second and subsequent requests will be submitted by November 1st of each year. The ALS Base Rate increase shall be the greater of the following percentages:

a. 3% divided by Santa Cruz's average collection rate from the current year.

b. Percentage calculated from the following Consumer Price Index (CPI) factors divided by Santa Cruz's average collection rate from the current year. Department of Labor, Bureau of Labor Statistics CPI as of the previous twelve month period for which published figures are then available for San Francisco-Oakland-San Jose:
   
   (i) 85% of the Medical Care CPI;
   (ii) 2% of the Transportation CPI; and
   (iii) 13% of All Items CPI.

2. Extraordinary Rate Increase for ALS Base Rate: The County Board of Supervisors may approve an extraordinary increase to the ALS Base Rate in the Santa Cruz County Rates (Exhibit F) if determined to be reasonable for any of the following reasons:

a. The Contractor demonstrates actual or reasonably projected, substantial financial hardship as a result of factors beyond its reasonable control, provided that the County will have the right to review and/or audit any books, medical billing accounts, medical records, productivity reports or financial records of the Contractor as it deems necessary to verify such hardship.

b. Changes in governmental third party payor programs that result in significant reduction in revenues for services rendered.

c. Mid-cycle rate adjustments to the ALS Base Rate will be allowed for decreases in revenue due to the Centers for Medicare and Medicaid Services Medicare prescribed decrease in reimbursements in 2010. The Health Services Agency Director may approve mid-cycle Medicare Rate Adjustment of up to: $47.61 on January 1, 2010.

d. Prior to requesting any increase as permitted in Section 10.2.B.2 Contractor shall provide sixty days' notice of the intent to request an increase to the Contract Administrator, shall provide all documentation as may be reasonably requested by Contract Administrator, and shall meet and confer with the Contract Administrator on such proposed request.

3. Rate Increases For All Other Rates: On a case by case basis and until the termination of this Agreement, increases to all rates (except
for the ALS Base Rate) contained within Santa Cruz County Rates Exhibit F shall be approved by the Santa Cruz County EMS Agency.

4. Other: If Contractor's prior year financial report shows excess revenues in excess of 10% of costs, the Board of Supervisors must approve all rate increases. In addition, Board of Supervisors will approve all rate adjustments for hardship. If Medicare changes Santa Cruz County rate setting and moves Santa Cruz out of locality 99, the rate system will be re-evaluated based on new revenue projections.

5. Review of Collection Rate: Quarterly Contractor and County will review Contractor's uncollectibles to identify opportunities for increasing collections such as cross-referencing publicly benefited databases in order to ensure the optimal collection rate.

10.4 Reporting Responsibilities: Paragraph A, first line - Delete “June” and replace with “October”. Paragraph E, first line - Delete “April” and replace with “May”.


5. Regulatory Language: To the extent not already included in the Agreement, the parties add the following provisions:

a. Compliance. The parties will comply in all material respects with all applicable federal and state laws and regulations including, the federal Anti-kickback statute.

b. Compliance Program and Code of Conduct. Contractor 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 Contractor's web site, located at: www.amr.net, and each party acknowledges receipt of such documents. Contractor warrants that its personnel shall comply with Contractor's compliance policies, including training related to the Anti-kickback Statute.

c. 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.

d. Referrals. It is not the intent of either party that any remuneration, benefit or privilege provided for under the 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 in this Agreement.
Any payments specified herein are consistent with what the parties reasonably believe to be a fair market value for the services provided.

6. **All Other Terms:** All other provisions of said Agreement shall remain in full force and effect.

**IN WITNESS WHEREOF,** the parties have hereto executed this Amendment No. A-02 To Agreement.

CONTRACTOR:

By: ________________________________

Print Name & Title: Rama Khalsa, Health Services Agency Director

COUNTY:

By: ________________________________

Print Name & Title: Rahn Garcia, Chief Assistant

COUNTY COUNSEL APPROVED:

By: ________________________________

Print Name & Title: Leslie Scagnetta, Risk Analyst

Approved as to form:

By: ________________________________

Print Name & Title: Risk Analyst

Risk Management, Santa Cruz County
AGENCY ADMINISTRATIVE DIVISION

September 21, 2005

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street, Fifth Floor
Santa Cruz, CA 95060

SUBJECT: ANNUAL AMBULANCE CONTRACT REVIEW

Dear Members of the Board:

Under the terms of the agreement with American Medical Response (AMR) for ambulance transport services, the Board of Supervisors is required to review the performance and rates of the provider on an annual basis. The current agreement, which began in September 2003, allows for adjustments in the rate after an audit by the County’s Auditor-Controller and allows for increases within specific limitations delineated in the contract. The Health Services Agency (HSA) also requests various administrative changes to the current contract as well as an adjustment to the rates to offset increased operating costs and assist in the purchase of a new, mobile data computer system for the ambulance system.

Contract Performance

On August 23, 2005, your Board had a presentation on the response times in the new ambulance flexible deployment system. Response times have dramatically improved over the last contract due to the integrated emergency response of AMR and the various fire agencies in the County as first responders. Overall, performance under the new contract has been excellent. Performance is monitored on a monthly basis by the EMS Administrator in consultation with members of the Technical Advisory Group (TAG), including the General Manager of the Santa Cruz Consolidated Emergency Communications Center (SCCECC) and the Operations Manager of AMR.

Contract Rate Review

Operational Costs

AMR’s financial records are audited twice annually, first, by a private accounting corporation, second, by the County’s Auditor-Controller’s Office. The Auditor-Controller’s most recent annual audit of AMR showed that AMR’s financial records were in compliance with the contract and documented actual costs in allowable categories of expenditures.
There are several factors that limit the profitability of the AMR contract. First, the existing agreement with AMR limits the company’s profit cap to 7% of net revenues once they successfully implemented the new, approved operating partnership with the local fire agencies. Second, collection rates are deteriorating due to: increases in uncompensated care; federal reductions in Medicare payments; and flat reimbursement rates from Medi-Cal that do not grow with the rate of inflation. Third, the cost of diesel fuel has increased 44% since the beginning of 2005. This cost heavily impacts AMR as under the new flexible deployment system, AMR’s ambulances collectively are driving 8,000 more miles each month than they did under the previous contract. Pharmacy costs are also increasing which impacts the costs for emergency care. Fourth and last, AMR is in the final year of a four-year agreement with their largest employee union that specified increases for employees. As a result, HSA is recommending an adjustment to their current rate as specified below:

<table>
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<tr>
<th>Description</th>
<th>Rate</th>
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<tr>
<td>Current Base Rate</td>
<td>$947.27</td>
</tr>
<tr>
<td>Operational Cost Increase</td>
<td>$26.05</td>
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<tr>
<td>New Mobile Data System</td>
<td>$11.84</td>
</tr>
<tr>
<td>Proposed New Base Rate Effective</td>
<td>$985.16</td>
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The proposed rate increase will primarily affect private insurance payors. No County funds are used to pay for ambulance services. As a condition of the County’s contract with AMR, those without insurance are either charged based on their ability to pay or have their charges eliminated. AMR’s criteria for reducing and/or eliminating transport charges for those who qualify are contained in Exhibit G of the amended Agreement. This requirement to waive low-income fees was added in this contract.

The rate increase will help offset operational costs increases as well contribute to the support of a new mobile data computer system.

Mobile Data Computers

The contract with AMR before your Board includes the costs for a mobile data computer system. The mobile data computer system will allow ambulance rigs to send and receive communications from the 9-1-1 center, Fire and the hospitals without having to use their voice on the current emergency radio frequency. This computer system will allow for communication through the transmission of data, increasing the ability to communicate quickly and accurately. As we have seen in the problems with the Katrina response, quality rapid communication is essential for effective emergency response. This improvement can save lives by efficiently transmitting data electronically without the need for voice communication. Currently the radio channel used by Fire and AMR is crowded with voice traffic. Fire and AMR units sometimes have to wait to send or receive radio transmissions, potentially delaying response to a fire or medical emergency or call for assistance. In the event of a disaster, use of the already crowded channel would be immediately problematic. Converting radio transmissions to a mobile data computer system will improve this issue and permit future needed enhancements to the system as well. The mobile data computers also avoid expenses with redesign, expansion, and purchase of radio systems and frequencies.
The computers can be used for medics to contact poison control directly for better patient treatment. Medics will also be able to access electronic “quick references” to clinical protocols and medication dosage calculators, reducing human error in administering medication. In addition, hospitals getting patient information early can save lives. For example, if you are having a heart attack, the critical clinical information can be sent electronically to the hospital so they can request the proper surgeons and have testing equipment ready to receive the patient and begin treatment. Heart attacks, strokes, head injuries and many other emergencies are time sensitive. The rapid communication of complete information allows the EMS system to save lives. The mobile data computers allow ambulance and fire staff to electronically file patient care records remotely so hospitals can be ready to treat patients when they arrive. Future additions will also allow for a mapping, navigation and automated vehicle locator system with GPS. Purchasing a GPS is not recommended at this time because of the limitations of current technology and the impacts associated with system requirements for compatible communications between GPS, MDC and 911. The expenses associated with this relatively recent technological advancement are also substantial and it is expected that costs will be reduced and functionality improved in the years ahead.

The cost of purchasing the computers, server and related licenses will be primarily paid for by grant funds. Fire EMS will also be installing mobile data computers. In addition to grant funds, HSA also proposes to use excess ambulance revenues from the previous contract period to cover the remaining one-time costs of the new system. The $11,84 will provide for on-going support and maintenance of the new, mobile data computer system.

**Administrative Contract Changes**

Currently, performance is monitored through monthly response time reports generated by Santa Cruz Consolidated Emergency Communications Center (SCCECC). A technical advisory committee reviews the data for any anomalies in response times. HSA recommends the Technical Advisory Group (TAG) be streamlined to include the County EMS Administrator, General Manager of SCCECC, and the Operations Manager of AMR for routine reviews and have the additional membership available for review of special issues impacting the system. This would be a more efficient use of staff time in the context of the current contract.

Additional administrative changes are recommended. AMR is now owned by the senior executive officers of AMR who purchased the company together with its sister company EmCare, a physician practice management company, from Laidlaw International, Inc. The new ownership uses the calendar year for its fiscal functions. HSA is requesting that the contract be amended to reflect new calendar/fiscal year and adjust reporting deadlines accordingly. Further, in converting to a calendar year, HSA recommends the rate adjustment on September 1, 2005 and a return to your Board for a rate adjustment, if appropriate, on January 1, 2007. In order to complete the alignment of the contract to the calendar year, HSA recommends that the contract terminate at midnight on December 31, 2008, unless terminated earlier or extended. The contract originally terminated on August 31, 2008.

The Auditor-Controller’s Office performs annual audits of AMR’s financial data and the most recent audit, prepared June 2005, and had no comments and no recommendations for improving AMR’s financial systems. The Auditor-Controller did identify several accounts within the contract’s “Chart of Accounts” which were not reflective of changing telecommunications
technology. HSA is therefore requesting the authority to update the contract’s “Chart of Accounts” with the Auditor-Controller as needed and in keeping with generally accepted accounting principles.

The amended agreement with AMR has been reviewed and approved by County Counsel.

It is, therefore, RECOMMENDED that your Board:

1. Accept and file this report on ambulance rates and approve the requested increase effective September 1, 2005;
2. Adopt the attached resolution accepting and appropriating $35,432 of unanticipated revenue from the Ambulance Excess Revenue Trust Fund into the HSA budget;
3. Approve the amended agreement with AMR regarding changes in the ownership of AMR, including alignment of the fiscal calendar to the calendar year and monitoring systems related to the Technical Advisory Group (TAG) and authorize the HSA Director to sign; and,
4. During the term of the agreement with AMR and with the approval of the Auditor-Controller, authorize the HSA Director to execute amendments to the Agreement modifying the “Chart of Accounts.”

Respectfully submitted,

Rama K. Khalsa, Ph.D.
Health Services Agency Director

RECOMMENDED:

Susan Mauriello
County Administrative Officer

Attachments: Resolution Accepting Unanticipated Revenue (AUD 60)
Amended Contract 0127 with AMR with Strikeouts
Letter from AMR regarding contract
Letter of support from the Emergency Medical Services Integration Authority

cc: County Administrative Office
Auditor-Controller
County Counsel
HSA Administration
County EMS Services
AMR West
EMCC
EMSIA
BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. _____________

On the motion of Supervisor ________________
duly seconded by Supervisor ________________
the following resolution is adopted.

RESOLUTION ACCEPTING UNANTICIPATED REVENUE

WHEREAS, the County of Santa Cruz is a recipient of funds from excess ambulance revenue as deposited in the Ambulance Trust Fund program; and

WHEREAS, the County is a recipient of funds in the amount of $35,432 which are either in excess of those anticipated or are not specifically set in the current fiscal year budget of the County; and

WHEREAS, pursuant to Government Code Section 29130(c)/29064(b), such funds may be made available for specific appropriation by a four-fifths vote of the Board of Supervisors;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Santa Cruz County Auditor-Controller accept funds in the amount of $35,432 into Department Public Health - Emergency Medical Services

<table>
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<th>Revenue Subobject Number</th>
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<td></td>
<td>PER ATTACHED SCHEDULE</td>
<td>35,432</td>
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and that such funds be and are hereby appropriated as follows:

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<tr>
<th>TIC</th>
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<th>Expenditure Subobject Number</th>
<th>PRJ/UCD</th>
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<tr>
<td></td>
<td>PER ATTACHED SCHEDULE</td>
<td>35,432</td>
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</table>

DEPARTMENT HEAD hereby certify that the fiscal provisions have been researched and that the Revenue(s) (has been) (will be) received within the current fiscal year.

By ________________________________ Date ________________
Department Head
PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this ______ day of ___________ 19___ by the following vote (requires three-fifths vote for approval):

AYES: SUPERVISORS
NOES: SUPERVISORS
ABSENT: SUPERVISORS

CHAIR OF THE BOARD

ATTEST:

Clerk of the Board

APPROVED AS TO FORM:

County Counsel

APPROVED AS TO ACCOUNTING DETAIL:

Auditor-Controller 9/23/05

Distribution:
Auditor-Controller
County Council
County Administrative Officer
Originating Department
### ESTIMATED REVENUES:

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Total $35,432

### APPROPRIATIONS:

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<td>3975</td>
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<td>$35,432</td>
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Total $35,432
COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors
County Administrative Office
Auditor Controller

FROM: Health Services Agency (Department)

BY: ________________________________ (Signature) __________________________ (Date)

AGREEMENT TYPE (Check One)
Expenditure Agreement ☑ Revenue Agreement ☐

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Administration (Department/Agency)
and AMR 116 Hubbard St., Santa Cruz, CA 95060 (Name/Address)

2. The agreement will provide ambulance services

3. Period of the agreement is from September 1, 2003 to December 31, 2008

4. Anticipated Cost is $1,000 annually ☐ Fixed ☐ Monthly Rate ☐ Annual Rate ☐ Not to Exceed

Remarks: Amended Contract

5. Detail: ☑ On Continuing Agreements List for FY 05 - 06 Page CC-60 Contract No: 0127 OR ☐ 1st Time Agreement
☐ Section II No Board letter required, will be listed under Item 8
☐ Section III Board letter required
☐ Section IV Revenue Agreement

362010 3651 100 (already enc.)
363147 3651 1,000 (already enc.)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Appropriations are available and have been encumbered.

Appropriations are not available and will be encumbered.

Contract No: C050127

By: ________________________________ Date: __________
Auditor-Controller Deputy

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize

Health Services Agency Director (Dept/Agency Head) to execute on behalf of the

Health Services Agency (Department/Agency)

Date: 9/21/05

By: ________________________________
County Administrative Office

Distribution:
Board of Supervisors - White
Auditor Controller - Canary
Auditor-Controller - Pink
Department - Gold

State of California
County of Santa Cruz
I, ____________________, ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Office by an order duly entered in the minutes of said Board on __________, 2005

By: Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

CO Document No. JE Amount Lines H/TL Keyed By Date

TC110 $ ________________________ ________________________ ________________________ ________________________

Auditor Description $ ________________________ Index Sub object User Code
The COUNTY OF SANTA CRUZ through the
HEALTH SERVICES AGENCY – ADMINISTRATION
1080 Emeline Avenue, P.O. Box 962, Santa Cruz CA 95061-0962
hereinafter called County and:

AMERICAN MEDICAL RESPONSE WEST, a California Corporation, and a subsidiary of
AMERICAN MEDICAL RESPONSE, INC. hereinafter called Contractor:

WHEREAS CONTRACTOR possesses certain skills, experience, education and competency to perform the
special services and, COUNTY desires to engage CONTRACTOR for such special services upon the terms
provided; and

WHEREAS, Division 2.5 of the Health and Safety Code sections 1797.224 and 1797.85 allows the local
EMS agency to create Exclusive Operating Areas (EOAs) to restrict operations to one or more providers of
emergency ambulance through a competitive bid process; and

WHEREAS, pursuant to Division 2.5 of the Health and Safety Code, Section 1797.200, the County of Santa
Cruz has designated the Health Department to be the local EMS agency and to develop a written agreement
with a qualified Advanced Life Support (ALS) ambulance service provider based on a competitive bid
process, subject to the rights granted for EOAs; and

WHEREAS, Title 22 California Code of Regulations Section 100173, Division 9, Chapter 4, Article 6,
requires an ALS service provider to have a written agreement with the local EMS Agency.

NOW, THEREFORE, the parties hereto do mutually agree as set forth in: Sections 1 through 11 included
herein and their exhibits.

Said exhibits attached hereto are incorporated into this Agreement by this reference.

IN WITNESS THEREOF, COUNTY AND CONTRACTOR have executed this Agreement to be
effective:

Date: January 1, 2006

unless terminated by either party in accordance with the terms of this Agreement.

CONTRACTOR

CEO, AMR Northwest Plains Region

Approved as to Form

County Counsel

Approved as to Insurance

Risk Management Division

Index: 362010
Subobject: 3665
Amount: NA
Total Annual Contract Amount: $0.00

COUNTY

Health Services Agency Director

Distribution:
Clerk of the Board
Auditor-Controller
Health Services Agency
Contractor
# Second Amended Emergency Ambulance Transport Services Provider Agreement Between The County Of Santa Cruz And American Medical Response West

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<td>3.3 Annual Review of Deployment</td>
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<td>Section 4 – Operations</td>
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<td>4.3 Equipment and Supplies</td>
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<td>4.4 Disaster Preparedness</td>
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### Section 1 – Administration of the Contract and Terms

- **1.1 Contract Administration**
- **1.2 Term of Contract**
- **1.3 Conditions for Contract Extension**
- **1.4 Contract Response Area**
- **1.5 Notices**

### Section 2 – Roles and Responsibilities

- **2.1 County’s Functional Responsibilities**
- **2.2 Contractor’s Functional Responsibilities**

### Section 3 – Deployment

- **3.1 Deployment Plan**
- **3.2 On-going Deployment Plan Requirements**
- **3.3 Annual Review of Deployment**

### Section 4 – Operations

- **4.1 Response time Standards**
  - A. Response Time Performance
  - B. Geographical Response Zones
  - C. Response Priority Categories
  - D. Response Time Standards
  - E. Response Time Exemptions
  - F. Response Time Calculations
  - G. Applicable Calls
  - H. Failure to Provide Data to Determine Compliance
  - I. Performance Report
  - J. Air Ambulance/Air Rescue Services
  - K. Standby and Special Events
- **4.2 Dispatch Requirements**
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  - B. Dispatch Performance / QI Program
  - C. Communications Equipment
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SECTION 1
ADMINISTRATION OF THE CONTRACT AND TERMS

1.1. Contract Administration

The Santa Cruz County Health Services Agency, through its Contract Administrator, shall represent the County in all matters pertaining to this Agreement and shall administer this Agreement on behalf of the County. The Contract Administrator or her/his designee may:

A. Audit and inspect the Contractor’s and Subcontractor’s operational and patient care records;

B. Monitor the Contractor’s and Subcontractor’s EMS service delivery for compliance with standard of care as defined through law, medical protocols, and policies; and

C. Provide technical guidance, as the Contract Administrator deems appropriate.

1.2. Term of Contract

The term of this Agreement shall commence at 00:01 hours on September 1, 2003 (Effective Date), and shall terminate at midnight on December 31, 2008, unless terminated earlier or extended pursuant to the terms and conditions of this Agreement.

1.3. Conditions for Contract Extension

This Agreement may be extended for an additional five-year period by action of the Santa Cruz County Board of Supervisors. One year prior to the expiration of this Agreement, Contractor may petition the Board for a five-year extension.

A. In deciding whether or not to extend the Agreement, the Board of Supervisors, at its discretion, may establish a Review Committee to analyze the performance of the Contractor and to make recommendations to the Contract Administrator.

B. The Committee’s review will consider, but not be limited to, how well the Contractor has performed in the following areas:

1. Compliance with this Agreement;

2. Operational and financial areas;

3. Effectiveness of Contractor’s quality improvement program in achieving demonstrable improvements in the performance and efficiency of the system;

4. Cooperation of management in assisting the EMS Agency with system operation and enhancements;

5. Number of substantiated complaints filed against Contractor and the manner in which Contractor handled them;

6. Extent of Contractor’s community involvement;

7. Consistency in maintaining and/or improving its professional image;

8. Integration of community and employee input;

9. Level of cooperation between the Contractor and other participants within the EMS System; and

10. Effectiveness in managing and coordinating first responder agreements.
1.4. Contract Response Area

All requirements described in this Agreement apply to the County of Santa Cruz as shown in Exhibit A and described as the Exclusive Operating Area (EOA).

1.5. Notices

All notices, demands, requests, consents, approvals, waivers, or communications ("notices") that either party desires or is required to give to the other party or any other person shall be in writing and either personally delivered or sent by prepaid postage, first class mail. Notices shall be addressed as appears below for each party, provided that if either party gives notice of a change of name or address, notices to the giver of that notice shall thereafter be given as demanded in that notice.

Contractor: Director of Operations
American Medical Response
116 Hubbard Street
Santa Cruz, California 95060

County: Emergency Medical Services Agency
County of Santa Cruz
1080 Emeline Avenue
Santa Cruz, California 95060

1.6 Fiscal and Reporting Schedule Transition Period

When this Agreement went into effect on September 1, 2003, the schedule for certain fiscal and reporting requirements was based on a contract year running September 1st through August 31st. Effective September 1, 2005, the schedule for those fiscal and reporting functions will be based on a contract year running January 1st to December 31st, with the exception of an initial transition period of September 1, 2005 to December 31, 2005.
SECTION 2
ROLES AND RESPONSIBILITIES

2.1. County’s Functional Responsibilities

The County seeks to ensure that reliable, high quality prehospital emergency medical care and transport services are provided on an uninterrupted basis. To accomplish this purpose, the County shall:

A. Oversee and enforce the Contractor’s rights as the sole provider of ALS 9-1-1 prehospital emergency medical care and transport services within the EOA;
B. Oversee, monitor and evaluate contract performance and compliance;
C. Utilize an electronic PCR database with which the Contractor and Subcontractors will comply so that the County can assess the quality of prehospital care being provided;
D. Assess the Santa Cruz Consolidated Emergency Communications Center (SCCECC) for proper administration of the Contractor’s written System Status Management Plan, in collaboration with the Contractor, and for emergency medical dispatch performance;
E. Review and take appropriate action on any proposal for change to improve or realign the EMS dispatch, Contractor deployment, and/or EMS system status management functions; and
F. Provide medical direction and control of the EMS system.

2.2. Contractor’s Functional Responsibilities

During the term of this Agreement, the Contractor shall:

A. Provide prehospital emergency medical care and transport services in response to medical 9-1-1 calls within the EOA twenty-four (24) hours each day, seven days a week, without regard to the patient’s financial status;
B. Develop system status management and deployment plans specific to meeting EMS performance requirements within Santa Cruz County, continuously monitor the implementation of these plans, and secure necessary ambulance post locations at the Contractor’s expense;
C. Provide all ambulances, as well as other vehicles and equipment that are necessary for the provision of services required under this Agreement;
D. Furnish supplies and replacements for those used by the Contractor’s personnel;
E. Establish a recruitment, hiring and retention system consistent with ensuring a quality workforce of clinically competent employees that are currently certified, licensed and/or accredited;
F. Comply with all training requirements established by the State of California, and all applicable policies and provisions established by the Santa Cruz County EMS Agency;
G. Maintain neat, clean, and professional appearance of all personnel, facilities and equipment;
H. Establish and maintain an equipment exchange program with First Responder Agencies;
I. Submit, in a timely manner, reports, which are supported by documentation or other verifiable information, as required by the County;
J. Respond to County inquiries about service and/or complaints within one business day of notification;

K. Notify the County, as soon as possible, of all incidents in which the Contractor's or Subcontractor's personnel fail to comply with protocols and/or contractual requirements;

L. Assure that Subcontractors meet all performance and contractual requirements;

M. If subcontracting for paramedic First Responder service, establish agreements with each First Responder Agency that is capable of providing ALS paramedic first response and wishes to do so, which shall provide partial reimbursement consistent with the provision of this Agreement and with the first responder funding formula approved by the County; and

N. Review all Subcontractor response time exceptions, and collect fines as appropriate to the applicable schedules in this Agreement.
SECTION 3
DEPLOYMENT

3.1. Deployment Plan

A. Deployment Parameters — All Contractor ambulance responses under the terms of its agreement with the County shall be dispatched as directed by Santa Cruz Consolidated Emergency Communications Center (SCCECC, known as NetCom) or in compliance with policies and protocols established by the County. Deployment plans shall:

1. Specify proposed locations of ambulances and numbers of vehicles to be deployed during each hour of the day and day of the week.
2. Describe 24 hour and system status management strategies.
3. Describe mechanisms to meet the demand for emergency ambulance response during peak periods or unexpected periods of unusually high call volume.
4. Include a map identifying proposed ambulance station or post locations.
5. Describe the full-time and part-time work force necessary to fully staff ambulances identified in the deployment plans.
6. Describe any planned use of on-call crews.
7. Describe any mandatory overtime requirements.
8. Describe how workload shall be monitored for personnel assigned to 24-hour units.
9. Describe record keeping and statistical analyses to be used to identify and correct response time performance problems.
10. Describe any other strategies to enhance system performance and/or efficiency through improved deployment/redeployment practices.

3.2. On-going Deployment Plan Requirements

An initial deployment plan shall be filed with the County prior to September 1, 2003 as part of the Initial Reporting Requirements shown in Exhibit B. A current deployment plan shall be kept on file with the Santa Cruz County EMS Agency. The Contractor shall redeploy ambulances or add additional ambulance hours if the response time performance standard is not met. Failure by Contractor to redeploy or add ambulance units within two months of notice by the County of failure to meet response time standards shall constitute a major breach of contract.

The Contractor shall submit proposed changes in the deployment plan in writing to the Contract Administrator 30 days in advance. The 30-day notice may be waived if an emergency adjustment to the plan is needed to correct an acute performance problem.

3.3. Annual Review of Deployment

Each year, as part of the annual budget review process, Contractor will provide County updated deployment maps consistent with the format shown in Exhibit C.
SECTION 4
OPERATIONS

4.1. Response Time Standards

A. Response Time Performance – System response times are a key measurement of performance. This measurement is the determining factor, which drives the placement and redeployment of the system’s resources throughout the entire system.
   1. Each incident will be counted as a single response regardless of the number of units that respond.
   2. The Contractor shall use its best efforts to minimize variations or fluctuations in response time performance.

B. Geographical Response Zones – For purposes of tracking Contractor response times and reporting, the EOA will be considered a single zone.
   1. Compliance with response times in this Agreement is measured by meeting the performance criteria in the single aggregate zone.
   2. Population density determines response times:
      a. Metro: > 500 people per square mile
      b. Urban: 101-500 people per square mile
      c. Suburban: 51-100 people per square mile
      d. Rural: 7-50 people per square mile
      e. Wilderness: < 7 people per square mile
   3. For the purpose of assigning response time criteria for this Agreement, population density categories shall be combined as follows and as shown in Exhibit D:
      a. Urban (includes Metro)
      b. Suburban
      c. Rural (includes Wilderness)

C. Response Priority Categories – The County currently designates five levels of emergency patient acuity, which are used as response time determinants (Alpha, Beta, Charlie, Delta and Echo) with which Contractor must comply by meeting specified response times.
   1. The priority designation (Code 2/Code 3) of an assignment shall be accomplished in accordance with approved dispatch protocols for each of the determinants.
   2. Subcontractor (or Contractor where applicable) will be deemed to be in compliance with response time standards if ninety percent (90%) or more of all Code 3 9-1-1 events in which an ALS first responder unit arrives on scene, measured monthly, meet the specified response times.
   3. Contractor will be deemed to be in compliance with response time standards if ninety percent (90%) or more of all Code 3 9-1-1 events in which a transport ambulance arrives on scene, measured monthly, meet the specified response times.
D. **Response Time Standards** — The response time standards for ALS First Responders and ALS Ambulances will be as follows:

<table>
<thead>
<tr>
<th>Response Code</th>
<th>Population Density</th>
<th>ALS First Responders</th>
<th>ALS Ambulance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Code 3</td>
<td>Urban</td>
<td>8:00 min or less</td>
<td>12:00 min or less</td>
</tr>
<tr>
<td>Code 3</td>
<td>Suburban</td>
<td>12:00 min or less</td>
<td>18:00 min or less</td>
</tr>
<tr>
<td>Code 3</td>
<td>Rural</td>
<td>20:00 min or less</td>
<td>30:00 min or less</td>
</tr>
</tbody>
</table>

*Code 3 is the immediate response of first responders and ambulance with lights and sirens.*

E. **Response Time Exemptions** — In some cases late responses will be excused from financial penalties and from response time compliance reports. Examples of exemptions include:

1. Failure by SCCECC dispatcher to give accurate location information (including address or cross street) to responding unit;
2. Weather conditions which impair visibility or create other unsafe driving conditions;
3. Call in which the response code is reduced from Code 3 to Code 2 by SCCECC or First Responder during the time the ambulance unit is enroute to the dispatched location;
4. Wrong address provided by the requesting party;
5. Disrupted voice or data radio transmission beyond the control of Contractor or SCCECC;
6. Material change in dispatch location after the initial dispatch is recorded as dispatched (DS);
7. SCCECC failure to follow the Contractor’s written, automated System Status Management plan that directly affects the response time of the call;
8. Call in which Contractor’s responding EMT-P crew believe the delay in their timely arrival to the call was outside their control and request SCCECC dispatcher to electronically mark the call record with a Delay Code (DC) designation;
9. Traffic stoppages on those portions of Highway 17 where no breakdown lanes exist;
10. Unavoidable delays caused by road construction and/or closure;
11. Absence of units from the Contractor’s dedicated Santa Cruz County system deployment during time of a declared disaster in contiguous county, as approved by the Contract Administrator;
12. Periods in which the SCCECC’S computer aided dispatch (CAD) system is not operable and/or a SCCECC equipment failure disrupts the transmission or recording of an incident; and,
13. Periods of Unusual System Overload, defined herein, if Contractor activates its approved Unusual System Overload Plan.

Exemptions shall be for good cause only, as determined by the County. The burden of proof that there is good cause for the excuse shall rest with the Contractor and Contractor must have acted in good faith. The alleged good cause must have been a substantial factor in producing the excessive response time. Exemptions shall be considered on a case-by-case basis. Contractor shall file a request for each response...
time exemption on a monthly basis with the Santa Cruz County EMS Agency within 20 business days of the end of the previous month. Such request shall list the date, the time, and the specific circumstances causing the delayed response.

Exemptions may be granted for instances of “move up and cover” or “mutual aid” consistent with EMS policy and procedure.

F. Response Time Calculations – Response times shall be calculated from the hour, minute and second the call is dispatched by SCCECC to the hour, minute and second the Contractor’s ALS or transport unit arrives on scene, is “staging” (ST) as defined in Section 4.1 (F) (4) below or is “in the area” (IA) as defined in Section 4.1 (F) (5) below. A call is considered “dispatched” at the time of initial radio and/or pager toning as automatically captured via the Computer Aided Dispatch (CAD) System and time stamped as “DS”. Contractor’s crews will be responsible for notifying SCCECC of arrival On-Scene immediately upon arrival at the scene of a call. The parties understand and agree that:

1. Contractor will have successfully stopped the ALS Response Time (ART) clock by arriving in an ALS ambulance or Quick Response Vehicle (QRV) before, or in lieu of, the ALS first responder.

2. For purposes of response time calculation, when calculating monthly reports, SCCECC will subtract thirteen (13) seconds from the elapsed time recorded for each call to allow for the time (on average) required for SCCECC dispatchers to log unit on-scene times. Calls canceled enroute by SCCECC or First Responder will not be included in evaluation of Contractor’s Performance Response monthly compliance.

3. Notification of SCCECC upon arrival on-scene shall normally be given immediately prior to parking the first responder vehicle or ambulance;

4. In cases of response to hazardous materials incidents and incidents involving response by a law enforcement agency where there is reason to believe the scene to be unsafe, the response time clocks shall be stopped when the emergency vehicle arrives at a safe or designated staging area, announced by responding units as “Staging” (ST).

5. In responses to locations lacking access by way of a street or road maintained for public or private use, the responding crews shall advise SCCECC of arrival “In the Area” (IA) when they are leaving the paved street or road to obtain access to the patient.

6. If the responding crews are unable to report that they arrived at the scene because of radio coverage, the response time clock shall be stopped at the time of the next communication between the crew and SCCECC. The Contractor may request exemption of a late response in such instances when it can reasonably prove the attempted on-scene announcement and arrival time through other means.

Contractor’s Response Times will be calculated on a monthly basis to determine compliance with the standards set forth in this Agreement. Contractor’s compliance to response zones will be measured on the aggregate with Contractor meeting
response time standards for a minimum of ninety (90) percent of all Code 3 calls in zones, as calculated under this Agreement.

Contractor will work with County to install transmitter units on ambulances if Global Positioning System (GPS) technology is implemented by the Santa Cruz Consolidated Emergency Communications Center.

G. **Applicable Calls** – Response time standards shall be applicable to all Code 3 calls. ALS response times and transport response times will be calculated and monitored separately. Each incident shall be counted as a single response regardless of the number of first responders or ambulances actually utilized and only the first arriving ALS responder’s time shall be applicable to the response time calculation. If a response is canceled, or downgraded to a lower priority, financial penalties may be assessed if response time standards are exceeded at the time of cancellation or downgrade.

The Contractor shall not be held accountable for emergency or non-emergency response time compliance for any request for service originating outside the EOA, and those responses will not be counted in the number of total calls used to determine response time compliance under this Agreement.

H. **Penalty for Failure to Provide Data to Determine Compliance** – When on-scene time cannot be provided for a particular emergency call, response time for that call shall be deemed to have exceeded the required response time for purposes of determining response time compliance. In order to rectify the failure to report an on-scene time and to avoid the penalty, Contractor may demonstrate to the satisfaction of the Santa Cruz County EMS Agency an accurate on-scene time, however, the response would then be subject to response time penalty calculations.

I. **Performance Report** – Within twenty (20) business days following the end of each month, Contractor shall submit a written report to the Santa Cruz County EMS Agency, in a manner required by the Santa Cruz County EMS Agency, identifying each emergency call dispatched which did not meet response time standard, each use of a BLS ambulance, and each failure to properly report times necessary to determine response time, on-scene time, and transport time. Contractor shall identify causes of performance failures and shall document efforts to eliminate these problems.

J. **Air Ambulance/Air Rescue Services** - The County reserves the right to allow helicopter air ambulance or helicopter air rescue services to operate in the County for the purpose of providing air ambulance/air rescue transportation services for both immediate and scheduled responses. This includes flights and transportation within the exclusive operating area/County. Prehospital utilization of such services is based upon Santa Cruz County EMS Agency policies and procedures. The Contractor shall comply with Santa Cruz County EMS Agency policies and procedures regarding the use of these services.
1. If the sponsor of a special event requests a dedicated standby ambulance at an event, Contractor may enter into a separate agreement with the sponsor for the provision of payment for such services.

2. Contractor shall not be precluded from performing other outside work at approved rates, such as non-emergency medical transfers.

3. Nothing herein shall excuse Contractor from satisfying its obligations under the terms of this Agreement. Expense for use of dedicated system equipment and revenues generated will be reported as described in Section 10 – Fiscal Requirements.

4.2. Dispatch Requirements

A. Dispatch – Contractor shall contract with and make payments for emergency paramedic dispatch services to the County’s exclusive emergency dispatch center, SCCECC.

B. Dispatch Performance/OI Program – Recognizing the critical importance communications plays in EMS system performance and the Contractor’s ability to fulfill its obligations, County and Contractor agree that SCCECC will have specific performance standards for EMS dispatch that are measurable. Contractor may participate in defining these performance standards. The specific performance standards and the components of SCCECC’s quality improvement program shall be described in a separate contract between SCCECC and Contractor and a copy shall be provided to the County.

C. Communications Equipment – Contractor shall provide and maintain in good operating condition, communication equipment consistent with County Policies and Procedures. Such communications equipment shall be compatible with existing SCCECC equipment, and remain so during the period of this agreement.

D. County Provided Equipment – Contractor shall reimburse SCCECC for Contractor’s portion of costs associated with the repair and/or maintenance of any radio equipment provided to the Contractor by mutual agreement for their beneficial use in servicing this agreement, and as outlined in the Contractor’s agreement with SCCECC, which may include, but not be limited to the communications dispatching infrastructure.

4.3. Equipment and Supplies

A. Ambulances – All ambulances used under the contract shall be of a Type I, II, or III, shall be in good condition, and shall meet or exceed the current Federal KKK standards at the time of the vehicles’ original manufacture, except where such standards conflict with State of California standards, in which case the State standards shall prevail. All such ambulances shall also meet or exceed the equipment standards of the State of California. All units performing emergency response under this Agreement will be licensed annually by the County.

As part of Contractor’s Annual Report, the Contractor shall provide to the County a complete listing of all ambulances (including reserve ambulances) proposed to be
used in the performance of the Agreement, including their license and vehicle
identification numbers, and the name and address of the lien holder, if any. Changes
in the lien holder, as well as the transfer of ownership, purchase, or sale of
ambulances used under the contract shall be reported to the County.

Contractor shall provide a minimum of three (3) reserve ambulances, within the
exclusive operating area, that are fully stocked with equipment and supplies at all
times.

B. Ambulance Equipment and Supplies – Each ambulance shall, at all times, maintain an
equipment and supply inventory sufficient to meet Federal, State, and local
requirements for ALS level ambulances, including the requirements of County
Policies and Procedures. Contractor shall be responsible for stocking all expendable
supplies including medications.

All medical equipment shall be in good repair and in working and safe order at all
times.

Contractor shall maintain, within the exclusive operating area, a surplus of all
required supplies sufficient to sustain operations for a minimum of thirty (30) days.

Contractor shall ensure that each ambulance is equipped with appropriate emergency
communication and alerting devices. Every ambulance shall include the ability to
communicate at all times and locations with SCCECC, Base Hospitals, other
hospitals, fire agencies, and public safety agencies. Contractor shall ensure that each
ambulance unit utilized in the performance of services under the contract is equipped
with emergency alerting devices capable of being used to notify ambulance personnel
of response need; and radio communications equipment compatible with SCCECC
communications equipment sufficient to meet or exceed the requirements of County
Policies and Procedures.

Prior to commencement of operations and annually thereafter during the budget
planning and capital expenditure approval process, Contractor shall submit an
Equipment Replacement Plan to County that shall include, but not be limited to, the
number of ambulances and a listing of the durable equipment that is scheduled to be
removed from front-line service in that year.

C. Controlled Substances – The Contractor shall have controlled substance policies and
procedures, consistent with Drug Enforcement Administration (DEA) requirements,
to govern the storage, inventory, accountability, restocking, and procurement of
controlled drugs and substances permitted by the County to be carried and utilized in
the provisions of ALS by paramedics.

1. The EMS Medical Director and Contract Administrator shall approve all
controlled substance policies and procedures.
2. Any incident of non-compliance with controlled substance policies and
procedures shall be reported immediately to the Contract Administrator.
D. **Safety** – Contractor shall provide personnel with training and equipment necessary to ensure protection from illness or injury when responding to an emergency medical request.

E. **Vehicle Maintenance Program** – Contractor’s vehicle maintenance program shall be designed and conducted so as to achieve the highest standards of reliability appropriate to a modern emergency service.

Contractor shall maintain all ambulances. Vehicles shall be kept in excellent working condition at all times. Any ambulance with any deficiency that compromises, or may compromise, its performance, shall be immediately removed from service.

Contractor shall submit a vehicle maintenance program and locations of maintenance services in writing to the County. Records of vehicle maintenance shall be submitted to the County as part of Contractor’s Annual Report.

Appearance of vehicles shall be excellent. Contractor shall repair all damage to ambulances in a timely manner.

**4.4. Disaster Preparedness**

A. **Disaster Plan** – The Contractor shall have a plan for the immediate recall of personnel to staff units during multi-casualty situations, times of peak overload, or declared disaster situations. This plan shall include the ability of the Contractor to page and alert off-duty personnel. Contractor shall participate in training programs and exercises designed to upgrade, evaluate, and maintain readiness of the system’s disaster and multi-casualty response system.

To the extent that Contractor has units available, but consistent with its primary responsibility to provide ambulance and emergency medical services in the exclusive operating area, Contractor, with County approval, shall render immediate “instant aid” and “mutual aid” to those providers of emergency medical services operating within adjacent areas in order to insure that timely emergency medical services are rendered to persons in need of such services within those areas.

B. **Disaster Planning** – Contractor shall actively participate with the County in disaster planning. Contractor shall designate a representative who shall regularly attend meetings and shall be the liaison for disaster activities with the County and with other agencies. The Contractor shall provide field personnel and transport resources for participation in any County disaster drill in which the County disaster plan/multi-casualty incident plan is tested.

C. **Disaster Response** – If a disaster declaration is made, the County may suspend normal operations and the Contractor shall respond in accordance with the disaster plan. The following provisions may apply, as determined by the Contract Administrator, during and after a disaster:
1. During such periods, the Contractor may be released, at the discretion of the Contract Administrator, from response time performance requirements for all responses, including late run penalties. At the scene of such disasters, Contractor personnel shall perform in accordance with the County disaster plan.

2. When disaster response has been terminated, the Contractor shall resume normal operations as rapidly as is practical considering exhaustion of personnel, need for restocking, and other relevant considerations and shall keep the Contract Administrator informed of factors that limit Contractor's ability to resume normal operations.

3. During the course of a disaster, the Contractor shall use its best efforts to maintain emergency service throughout the EOA, and shall suspend or ration non-emergency transport work as necessary.

4. The County shall assist the Contractor in seeking reimbursement for its costs for any disaster relief monies. Such assistance shall be limited to processing claims for reimbursement equal to 100% of the direct cost of the services, or the allowable standby charge provided for herein, whichever is greater. The County shall have no financial responsibility for these costs or charges other than to provide assistance in processing the claim(s) for payment.

4.5. System Committee Participation

Contractor shall designate appropriate personnel to participate in committees that have a direct impact on emergency medical services for the County.

4.6. Community Education/Prevention

Contractor shall participate in the EMS system’s public education and information program including press relations, explanations regarding rates, regulations and system operations, increasing public awareness and knowledge of the EMS system, injury/mortality prevention/reduction, and general health and safety promotion.

Contractor is encouraged to offer a variety of public education programs, including, but not limited to, EMS system use, citizen CPR, disaster preparedness, injury prevention, seat belt and helmet use, and infant/child car seats. Other appropriate activities might include blood pressure screening, speaking to community groups, and programs for school children and adolescents. Contractor shall work collaboratively with other public safety and EMS related groups such as the American Heart Association, the American Red Cross, and health care organizations to plan and provide public education programs.

Contractor shall present or participate in community education programs emphasizing health and prevention programs, as well as access to the EMS system no less than twelve (12) times per year. As part of the Annual Report, Contractor shall provide County a report outlining all community education activities over the preceding twelve (12) month period.
SECTION 5
PERSONNEL

5.1. Clinical and Staffing Standards
County expects that the provision of emergency ambulance services shall conform to the highest professional standards and shall comply with all applicable State laws and regulations, and County EMS policies, procedures and field treatment guidelines. All persons employed by Contractor in the performance of work under this contract shall be competent and holders of appropriate and currently valid certificates/licenses/accreditations in their respective trade or profession. Contractor shall be held accountable for its employees' licensure, performance and actions. Patient's privacy and confidentiality shall be protected. Employees shall not disclose patient medical information to any person not providing medical care to the patient.

A. Ambulance Staffing – Contractor shall, at all times, staff each ambulance with two persons who are licensed in the State of California and accredited in Santa Cruz County as an Emergency Medical Technician-Paramedic (“EMT-P”), as those terms are defined in the California Health and Safety Code and the California Code of Regulations. Prior to September 30, 2003 Contractor shall provide for Contract Administrator approval, a plan to promote and recognize personnel with bilingual skills, especially Spanish.

B. Management and Supervision
1. Contractor shall provide the management personnel necessary to administer and oversee all aspects of emergency ambulance service including oversight of subcontracts.
2. There shall be one (1) Field Supervisor on duty within the exclusive operating area at all times. The Field Supervisor will be a currently licensed paramedic with current accreditation in Santa Cruz County. The Field Supervisor will supervise Contractor personnel, ambulance deployment and operations and will be available as a resource to Subcontractors in the provision of their deployment and performance.
3. The parties acknowledge that paramedic services will be provided by multiple agencies from both the private and public sector and, consequently, a high level of intensive quality improvement and oversight activities are necessary. In addition, the parties acknowledge that this is a complex system which consists of the provision of services by a paramedic team that arrive in different vehicles and who are employed by different employers and, consequently, the system will require adequate oversight, coordination and facilitation by the Contractor, Subcontractor’s and County in order to function seamlessly and effectively. The Field Supervisor will maintain close contact with on-duty supervisory personnel at SCCECC and the first responder agencies whenever necessary.
4. In addition to responding to the needs of the Contractor’s and Subcontractor’s personnel, the Field Supervisor shall immediately respond at all times to any
request by the County or public safety personnel from with the EOA and shall be authorized to act on behalf of the Contractor.

C. **Required Certifications** - Within six (6) months of the employee’s hiring date all emergency ambulance personnel shall be currently certified in:

1. Basic Cardiac Life Support (BCLS);
2. Advanced Cardiac Life Support (ACLS);
3. Pediatric Advanced Life Support, (PALS) or equivalent training approved by the EMS Medical Director;
4. Prehospital Trauma Life Support (PHTLS), Basic Trauma Life Support (BTLS) or equivalent training approved by the EMS Medical Director.

D. **Infrequent-Use Skills Refresher** - EMT-Ps accredited in the county shall regularly practice skills and use of medications listed in the County’s scope of practice for EMT-P, prior to performing these skills on patients in the field setting. Annually the Prehospital Advisory Committee (PAC) approves a list of infrequently used skills that are to be refreshed. A minimum of four (4) hours each year shall be allocated for each paramedic to refresh infrequently used skills identified by PAC. Contractor shall be responsible for ensuring that EMT-Ps assigned to ALS ambulances regularly complete this training and annual refresher courses.

E. **Orientation of New Personnel** – Contractor shall ensure that field personnel are properly oriented before being assigned to respond to emergency medical requests. The orientation shall include, at a minimum, EMS system overview; EMS policies and procedures; radio communications with and between the Contractor, base hospital, receiving hospitals, and SCCECC; map reading skills (including key landmarks), routes to hospitals and other major receiving facilities, emergency response areas within the county and in surrounding areas; and ambulance equipment utilization and maintenance, in addition to Contractor’s policies and procedures. Contractor shall be responsible for ensuring that this standard is met.

Prior to September 30, 2003, Contractor shall submit a new employee orientation program for approval by the Contract Administrator. Contractor shall notify Contract Administrator in writing of any changes made to program and will submit, as part of Contractor’s Annual Report, a report listing all new employee orientation activities for the preceding twelve (12) months.

F. **In-Service Training, Continuing Education and Driver Training** - Contractor shall have a program for ensuring personnel are prepared to respond to emergency requests through in-service training, continuing education (CE) and Driver Training. As part of the annual report, according to Exhibit E, Contractor shall list offerings during the previous year.

G. **Preparation for Multi-Victim Response** – Contractor shall ensure that all ambulance personnel/ supervisory staff are trained and prepared to assume their respective roles and responsibilities under the County Multi-Casualty Medical Incident Response Plan (MCIP) as well as the County Disaster Plan. At a multi-victim scene, Contractor’s personnel shall perform as part of the Incident Command System (ICS) structure and
in accordance with Standardized Emergency Management System (SEMS) legislation.

County will provide current MCIP plan to Contractor and will notify Contractor of any changes to such plan.

5.2. Compensation/Working Conditions for Ambulance Personnel

A. Work Schedules and Conditions – At least 51% of the personnel who staff ambulances shall be full time employees. Contractor shall utilize reasonable work schedules and shift assignments to provide reasonable working conditions for ambulance personnel. Contractor shall ensure that ambulance personnel working extended shifts, part time jobs, voluntary or mandatory overtime, are not fatigued to an extent, which might impair their judgment or motor skills. Contractor shall demonstrate that these personnel are provided sufficient rest periods to ensure that personnel remain alert and well rested during work periods. As part of Contractor’s Annual Report, Contractor shall submit an employee turnover report to the Contract Administrator.

B. Compensation/Fringe Benefits – The County expects the Contractor to provide reasonable compensation and benefits in order to attract and retain experienced and highly qualified personnel. Wages and benefits for personnel shall be in accordance with the schedule in the union agreement. The County encourages the Contractor to establish creative programs that result in successful recruitment and retention of personnel. Contractor shall demonstrate, initially and throughout the term of Contract, that the compensation program provides the incentive to attract and retain skilled and motivated employees.

C. New Employee Recruitment and Screening Process – Contractor shall operate an aggressive, stringent, and comprehensive program of personnel recruitment and screening designed to attract and select field personnel.

D. Employee Records – Contractor shall maintain current records related to paramedic licensing, accreditation, certification, and continuing education. Contractor shall quarterly provide County with a list of EMT-P and EMT-I’s currently employed by the Contractor. Information shall include, but not be limited to, name, address, telephone number, California paramedic license number, County Paramedic accreditation number, ACLS expiration date, CPR expiration date and California driver’s license number. Information necessary to keep this list current shall be updated at least quarterly consistent with the ongoing reporting schedule in Exhibit E.

E. Critical Incident Stress Debriefing (CISD) - The nature of work in emergency medical services produces stress in providers. The County prefers a CISD program that is integrated with programs used by other County prehospital personnel. Contractor shall maintain a critical incident stress-debriefing program and an ongoing stress reduction program for its employees.
5.3. Safety and Infection Control

A. Contractor asserts that it is in compliance with applicable Cal/OSHA guidelines for safety and infection control, including blood-borne pathogens, and that there are no enforcement actions, litigation, or other legal or regulatory proceedings in progress or being brought against Contractor as a result of non-compliance with such guidelines. Contractor agrees to notify County immediately should the status of any of the assertions in this paragraph change or come into question.

B. Contractor shall, upon request, furnish documentation satisfactory to County’s Health Officer, of the absence of tuberculosis disease for any employee or volunteer who provides services under this Agreement.

C. Contractor shall, upon request, furnish County a copy of their Communicable Disease Policy and any changes to that policy throughout the term of this Agreement.
SECTION 6
QUALITY/PERFORMANCE

6.1. Continuous Quality Improvement Program

A. CQI Program – Contractor shall establish a comprehensive continuous quality improvement (CQI) program approved by the County designed to interface with County’s evolving CQI Program, including participation in system related CQI activities. The Contractor’s CQI program shall be an organized, coordinated, multidisciplinary approach to the assessment of prehospital emergency medical response and patient care for the purpose of improving patient care service and outcome. The CQI program should not be limited to clinical functions alone. For example, response times should be addressed within the program as well as matters such as customer surveys and complaints. The program should include methods to measure performance, identify areas for improvement, and how such improvements can be implemented and then evaluated. The program shall describe customer services practices, including how customer satisfaction is determined and how customer inquiries/complaints are handled.

Prior to September 30, 2003 Contractor shall provide for Contract Administrator approval, a comprehensive continuous quality improvement (CQI) plan. As part of Contractor’s Annual Report, Contractor shall submit an update to the County to show compliance with approved plan and areas for improvement.

B. Clinical Education Coordinator – Contractor will employ a Coordinator, to be dedicated to the Santa Cruz division not less than 70% of the time, to manage quality improvement and training programs. This Coordinator will be the key clinical liaison to the Santa Cruz County EMS System, working with paramedic first responder agencies and County committees to ensure system clinical excellence. This Coordinator will be responsible for the coordination and execution of all clinical education and training programs for Contractor.

C. Quality Leadership Council (QLC) – Contractor shall promote peer involvement throughout the EMS system, including Subcontractors. Contractor shall sponsor and promote a Quality Leadership Council comprised of at least two full-time paramedics appointed by the Contractor. The QLC role and function will include such activities as setting and improving standards for performance and system improvement, acting in an advisory capacity to the Contractor to review prospective, compulsory, and continuing education programs, and developing and following up on individual field instruction and performance improvement plans.

D. Inquiries and Complaints – Contractor shall provide prompt response and follow-up to inquiries and complaints.

E. Unusual Occurrences and Complaints – Contractor shall complete a report to the Contract Administrator or her/his designee within 48 hours by all parties involved in an unusual clinical occurrence as per County policy. Contractor shall immediately
notify the Contract Administrator of potential violations of the California Health and Safety Code, California Code of Regulations Title 22, or local EMS agency policies.

The Contractor shall maintain a database of non-clinical unusual occurrences/complaints including tracking, trending and resolution. All billing complaints will also be included in the database. Contractor shall provide a report to Contract Administrator of all non-clinical complaints consistent with the quarterly report schedule in Exhibit E. Clinical unusual occurrences/complaints and non-clinical unusual occurrences/complaints will be tracked separately.
SECTION 7
DATA AND REPORTING

7.1. Data System Hardware and Software

Contractor and Subcontractors shall utilize County’s electronic system for patient care reporting and shall complete Prehospital Care Reports according to County policy. The County shall provide and maintain the data system software. Users of the County’s electronic data reporting system shall adhere to the County’s Internet Usage Policy.

7.2. Use and Reporting Responsibilities

The EMS data system shall be used for documentation of patient medical records, continuous quality improvement, and reporting aggregate data as specified in the California Health and Safety Code.

The database system shall contain all EMS responses and patient records. These patient records shall contain a unique identifier for the patient (e.g., automated dispatch system call number), automated dispatch system information for the response, prehospital personnel for the response, patient information (e.g., name, address, insurance), patient history and physical findings, treatment rendered, disposition, emergency department outcome information. Contractor shall comply with the requirements for the PCR (patient care report) as identified in County policy.

The central repository for EMS data shall be at the EMS Agency office. Records contained within the database shall be secure and confidential. Access to actual database records shall be restricted to select entities (e.g., EMS program staff, Contractor’s CQI designated personnel).

In order to facilitate Contractor’s use of prehospital data for quality improvement and research purposes, County will provide Contractor Open Database Connectivity (ODBC) access with read-only permission and will supply a data dictionary, preferably using standard data definition language (DDL) or in best form subject to the limitations of the CACHE SQL capabilities. Best effort will be made by the County to provide access within 30 days of contract implementation.

7.3. Prehospital Care Reports

Contractor and Subcontractors shall complete appropriate documentation and Prehospital Care Reports according to County policy.

7.4. Audits and Inspections

At any time during normal business hours, and as often as may reasonably be deemed necessary, the County’s representatives, including EMS Agency representatives and the EMS Medical Director, may observe the Contractor’s operations. Additionally, the Contractor shall make available for their examination and audit all contracts (including union contracts),
invoices, materials, payrolls, inventory records, records of personnel (with the exception of confidential personnel records), daily logs, conditions of employment, excerpts of transcripts from such records, and other data related to all matters covered by this contract.

County representatives, may, at any time, and without notification, directly observe Contractor’s operation, ride as “third person” on any of the Contractor’s ambulance units, provided however, that in exercising this right to inspection and observation, such representatives shall conduct themselves in a professional and courteous manner, shall not interfere in any way with Contractor’s employees in the performance of their duties, and shall, at all times, be respectful of Contractor’s employer/employee relationship.

The County’s right to observe and inspect Contractor’s business office operations or records shall be restricted to normal business hours, except as provided above.


The County and Contractor shall enter into a Business Associate Agreement, as shown in Exhibit M, incorporated in this Contract in order to comply with the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191), 42 U.S.C. Section 1320d, et. seq., and regulations promulgated thereunder, governing protected health information.
SECTION 8
SUBCONTRACTS


All subcontracts of Contractor for provision of services under this Agreement shall be notified of Contractor’s relationship to County.

A. Any subcontract, which is in excess of one thousand dollars ($1,000), shall have prior written approval of the Contract Administrator.

B. Contractor shall provide, upon request of County, copies of all subcontracts relating to this Agreement entered into by Contractor.

C. Contractor has legal responsibility for performance of all contract terms including those subcontracted.

D. Nothing in the Agreement, or in any Subcontract, shall preclude EMS Agency staff from monitoring the EMS activity of any Subcontractor.

E. There shall be a section in each subcontract requiring prior approval from the County before any subcontract may be modified.

F. The Contractor shall assure that the Subcontractors cooperate fully with the EMS Agency.

G. In the event discrepancies or disputes arise between this Agreement and the subcontracts, the terms of this Agreement will prevail in all cases.

8.2. Relationships and Accountability

Should the Contractor utilize one or more Subcontractors to provide any of the Contractor’s primary responsibilities, the Contractor shall seek approval of the subcontract(s) from the County, and provide assurance to the County that each of the Subcontractor(s) is professionally prepared for and understands its role within the system.

A. The Contractor shall provide clear evidence that the scope of service designed for the Subcontractor(s) will enhance system performance capability and provide a cost savings for the EMS System.

B. If the subcontract(s) and associated scope of service is approved, the Contractor shall be accountable for the performance of the Subcontractor(s).

C. The inability or failure of any Subcontractor to perform any duty or deliver contracted performance will not excuse the primary Contractor from any responsibility under this Agreement.

D. The Contractor shall designate a management liaison to work with the EMS Agency in monitoring compliance of Subcontractors with contractual and system standards.

8.3. Performance Criteria

All Subcontractors will be held to the same performance criteria as the primary Contractor, with respect to quality improvement activities, medical control, continuing education, and penalties for non-compliance.

A. The Contractor shall ensure that Subcontractors pay penalties for late response times according to the terms of this Agreement as described in Section 10.
B. Subcontracts shall provide that paramedic and EMT first responders shall work cooperatively and supportively in the provision of care by the Contractor on-scene, and shall if requested by Contractor personnel, assist in providing care enroute to the hospital.

8.4. Funding for First Response

A. ALS First Responder Program Funding. Contractor shall pay Subcontractors in accordance with Section 8.4 (C) below for the ALS First Responder Program Services to be provided by Subcontractors under this Agreement. Payment for any other services to be rendered by Subcontractors under this Agreement shall be made in accordance with the terms of the “Prehospital Emergency Medical Services Agreement Between the Emergency Medical Services Integration Authority (EMSIA) and American Medical Response, West”, and specifically Part Three (BLS Intercept Program) or Part Four (Supplemental Transport Program) of that Agreement, or by separate agreement between Subcontractors and Contractor and approved by County.

B. Funding Mechanism For ALS First Responder Services. The parties acknowledge their understanding that the funding (hereinafter referred to as the Cost Differential) set forth in Section 8.4 (C) below was determined based on a mechanism developed after a careful review and analysis of the actual and potential costs of providing service(s) at level(s) determined by the County. The parties acknowledge that the compensation to be provided to Subcontractors for service under this Agreement is the lesser of the Cost Differential compared to the Subcontractor’s costs and is intended to be based on the cost that Contractor would bear if it provided service at the level determined by the County, in the absence of this Agreement. Accordingly, the parties stipulate and agree that the compensation specified within this Agreement is the sole, complete and total amount of compensation to be provided by Contractor to Subcontractors for the delivery of EMS first responder services under this Agreement and the necessary elements of production whereby those services are provided, by Subcontractors, as defined therein. This provision relating to funding for ALS First Response applies only to Subcontractor agencies that provide paramedic first response.

1. Under no circumstances will Contractor compensate Subcontractors in excess of the cost to the Subcontractors to provide first responder services or in excess of the Contractor’s Cost Differential, as defined hereinafter, to provide ALS First Response with in-house resources.

2. If any Subcontractor Agency wishes to terminate its subcontract for first responder services, Contractor and Contract Administrator must receive such notice on or before August 15th each year. Such termination shall be effective on January 1st of that year. Any changes to ALS First Responder funding shall become effective on January 1st of that year as well.

3. On or before September 1st of each year, commencing May 1, 2004, Subcontractors shall submit a proposed ALS First Responder Program budget for the forthcoming fiscal year to Contractor and Contract Administrator and shall...
notify Contractor and County if it is seeking to change the number of first responder agencies that receive funding. During the term of this Agreement, on or before September 1st of each year, commencing May 1, 2004, Subcontractors shall certify to Contract Administrator that the funding received for first responder services did not exceed the cost to the ALS First Responder Agency to provide ALS first responder services during the prior fiscal year. On or before October 1st each year, commencing June 1, 2004, Contractor shall certify to the County Contract Administrator that the amount of first responder funding paid to Subcontractors did not exceed Contractor’s Cost Differential to provide those services. Contractor and Subcontractors shall provide documentation to support the certification of costs as requested by the County.

4. During the term of this Agreement, on or before October 1st each year, Contractor shall provide to County Contract Administrator, as part of Contractor’s submission of its proposed budget for the upcoming fiscal year, a good faith estimate, revised if necessary after due consideration of termination notices received from Subcontractors, of the Cost Differential to provide first responder services in the subsequent year.

5. Annually, as a component of the Contractor’s annual budget review process, the Contract Administrator, at her/his sole discretion, will approve the amount of the new Cost Differential to be used for First Responder funding. The First Responder Pool Fund shall be adjusted, based on the new Cost Differential, on January 1st each year.

6. All subcontracts and amendments to subcontracts must be approved by the County prior to implementation. No agency may provide first responder paramedic services within the EOA during the term of this Agreement, except pursuant to a subcontract and/or other ALS agreement approved by the County.

C. Base Funding. Contractor shall pay the sum of Two Hundred Nineteen Thousand Seven Hundred Twenty One Dollars ($219,721), to Subcontractors annually, for ALS First Responder Services performed under this Agreement, subject to adjustment as set forth in Section 8.4 (B) (5) above.

1. Payments shall be made in arrears in equal monthly installments with the first payment of $18,310 being due and payable on October 1, 2003.

2. All payments shall be subject to penalty offset and annual adjustment as set forth above.
SECTION 9
ADMINISTRATIVE REQUIREMENTS

9.1. Performance Security

Prior to commencement of operations, under the terms and conditions of this Agreement, Contractor shall obtain and maintain throughout the term of the contract performance security in the amount of $500,000 in one of the following methods acceptable to the County.

A. A performance bond issued by an admitted surety licensed in the State of California acceptable to County Counsel, provided that the language of such performance bond shall recognize and accept the contract's requirements for immediate release of funds to the County upon determination by the County that Contractor is in major breach and that the nature of the breach is such that the public health and safety are endangered, and recognizing that any legal dispute by the Contractor or the bonding company shall be initiated and resolved only after release of the performance security funds to the County; or

B. An irrevocable letter of credit issued by a bank or other financial institution acceptable to the County in a form acceptable to County Counsel which shall recognize and accept the contract's requirements for immediate payment of funds to the County upon determination by the County that Contractor is in major breach and that the nature of the breach is such that the public health and safety are endangered, and recognizing that any legal dispute by the Contractor or the creditor shall be initiated and resolved only after release of the performance security funds to the County; or

C. A combination of the above methods that is acceptable to the County.

The performance bond or irrevocable letter of credit furnished by the Contractor in fulfillment of this requirement shall provide that such bond or letter of credit shall not be canceled for any reason except upon thirty (30) calendar days written notice to the County of the intention to cancel said bond or letter of credit. The Contractor shall, not later than twenty (20) days following the commencement of the thirty-day notice period, provide the County with replacement security in a form acceptable to the County. In the event that the guarantor/surety is placed into liquidation or conservatorship proceedings, Contractor shall provide replacement security acceptable to County within twenty (20) days of such occurrence.

9.2. Insurance

Contractor, at its sole cost and expense, for the full term of this Agreement (and any extensions thereof), shall obtain and maintain at minimum compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects County and any insurance or self-insurance maintained by County shall be in excess of Contractor's insurance coverage and shall not contribute to it.
If Contractor utilizes one or more subcontractors in the performance of this Agreement, Contractor shall obtain and maintain Independent Contractor's Insurance as to each subcontractor or otherwise provide evidence of insurance coverage for each subcontractor equivalent to that required of Contractor in this Agreement.

A. Types of Insurance and Minimum Limits

1. Worker's Compensation in the minimum statutorily required coverage amounts.

2. Automobile Liability Insurance for each of Contractor's vehicles used in the performance of this Agreement, including owned, non-owned (e.g. owned by Contractor's employees), leased or hired vehicles, in the minimum amount of $1,000,000 combined single limit per occurrence for bodily injury and property damage with a $10,000,000 umbrella policy.

3. Comprehensive or Commercial General Liability Insurance coverage in the minimum amount of $1,000,000 combined single limit, with a $10,000,000 umbrella policy, including coverage for: (a) bodily injury, (b) personal injury, (c) broad form property damage, (d) contractual liability, and (e) cross-liability.

4. Professional Liability Insurance in the minimum amount of $1,000,000 combined single limit with a $10,000,000 umbrella policy.

B. Other Insurance Provisions - If any insurance coverage required in this Agreement is provided on a "Claims Made" rather than "Occurrence" form, Contractor agrees to maintain the required coverage for a period of three (3) years after the expiration of this Agreement (hereinafter "post agreement coverage") and any extensions thereof. Contractor may maintain the required post agreement coverage by renewal or purchase of prior acts or tail coverage. This provision is contingent upon post agreement coverage being both available and reasonably affordable in relation to the coverage provided during the term of this Agreement. For purposes of interpreting this requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Agreement in order to purchase prior acts or tail coverage for post agreement coverage shall be deemed to be reasonable.

9.3. Business Office, Billing and Collection System

Contractor shall utilize a billing and collections system that is well-documented and easy to audit, which minimizes the effort required to obtain reimbursement from third party sources for which they may be eligible, and is capable of electronically filing Medicare and Medi-Cal billing claims.
SECTION 10
FISCAL REQUIREMENTS


A. As compensation for services, labor, equipment, supplies and materials furnished under this Agreement, Contractor shall collect revenues as permitted in this section.

B. All reports provided by Contractor shall be in accordance with Generally Accepted Accounting Principles and be based on an accrual system.

C. Fiscal year for reporting purposes of this Contract will be January 1st to December 31st.

D. Contractor shall maintain copies of all financial statements, records and receipts that support and identify operations for a minimum of five (5) years from the end of the reporting period to which they pertain. Contractor will provide County or their designee access to all records for analytical purposes.

E. Definitions and formulas pertinent to this section are found in Exhibit L.

10.2. Billing and Collections

A. Rates – Approved rates beginning September 1, 2003 are located in Exhibit F.

B. Rate Adjustment – Contractor may request a rate increase during the Annual Budget process. County shall grant increases sufficient to meet the approved projected expenses plus profit (see 10.3 below) or will provide other relief to Contractor.

Mid-cycle rate adjustments to the ALS Base Rate will be allowed for decreases in revenue due to the Centers for Medicare and Medicaid Services (CMS) Medicare prescribed decrease in reimbursements in 2003 through 2006. The Contract Administrator may approve mid-cycle Medicare Rate Adjustment of up to:

- $27.09 on January 1, 2004
- $49.66 on January 1, 2005
- $50.73 on January 1, 2006

The Contract Administrator may approve rate increases up to 3% annually in addition to the Medicare Rate Adjustment described above with Board of Supervisors approval. If Contractor’s prior year financial report shows excess revenues in excess of 10% of costs, the Board of Supervisors must approve all rate increases.

C. Billing and Revenue

1. Contractor agrees to bill all transports and medical care without discount of County approved rates except as provided herein.
2. Contractor agrees that all revenue generated using personnel or equipment expensed as described in this Agreement, as well as the subsidy paid by North Monterey County will be credited to Santa Cruz County revenues.

3. Any excess revenues shall be determined by the County Auditor-Controller for each contract year. For each contract year during which a CMS Medicare reduction in reimbursement is effective, twenty-five percent (25%) of any excess revenue accruing during any portion of the year prior shall be allocated to the Excess Revenue Account described below, and fifty percent (50%) of any such excess revenue shall be allocated as a rate subsidy and applied as set forth in subparagraph 10.2 (C) (4).

4. In the rate calculation process for a rate increase during the annual budget process or at mid-cycle, excess revenues allocated as a rate subsidy, pursuant to subparagraph 10.2 (C) (3), shall be added as “other contract revenue”, account number 4910 as reflected in Exhibit H.

D. Compassionate Care Screening - in keeping with a commitment to meet the needs of the community, Contractor shall extend discounts in the form of a compassionate care allowance to those patients who have demonstrated an inability to pay for emergency medical transportation services. Contractor shall maintain a procedure, approved by the Contract Administrator, which provides administrative guidelines and a sliding scale of eligibility for screening such patients. Screening for eligibility shall be determined through a formula that considers annual gross income, out-of-pocket medical expenses and size of patient’s immediate family. The current eligibility criteria are shown in Exhibit G.

E. Medicare – Contractor shall accept Medicare and Medi-Cal assignment.

10.3. Profit

A. Annual Profit – Contractor’s annual profit will be capped at five (5) percent of net revenue. Upon implementation of an approved partnership with EMSIA, Contract Administrator may allow an annual profit of up to seven (7) percent of net revenue.

B. General Administration and Indirect Expenses Cap – Allowable General Administration and Indirect Expenses will be the actual cost or up to a maximum of 13% of direct expenses as defined in Exhibit L.

C. Excess Revenues

1. Contractor and County agree that fifty percent (50%), of any excess revenues (as defined in Exhibit L) in any contract year shall be deposited into the Santa Cruz Excess Revenue Account unless a different percentage is specified in subparagraph 10.2 (C) (3). All funds deposited into the Santa Cruz Excess Revenue Account shall be disbursed by election of County as directed in paragraph 10.3 (C) (3) herein. Contractor agrees to deposit the foregoing...
amount of excess revenues into the Santa Cruz Excess Revenue Account within thirty (30) calendar days after the County Auditor-Controller certifies and accepts the Year End Reconciliation of Contractor's Santa Cruz operations. Contractor shall give County prompt notice of each deposit into the Excess Revenue Account.

2. The Santa Cruz Excess Revenue Account shall be held by a third party escrow entity as an interest bearing account. Any disbursement demand from the Excess Revenue Account shall be in writing and comply with the provisions of paragraph 10.3 (C) (3) herein. The fees for the escrow account shall come out of the Excess Revenue Account. Contractor agrees that the County's unilateral demand for payment to the third party escrow entity shall authorize the disbursement of funds from the Santa Cruz Excess Revenue Account without the written approval of Contractor, (1) in the event of a County request for disbursement to a nonprofit organization, as specified herein, or (2) in the event of a County request for disbursement for which Contractor has not submitted to escrow agent a written objection within twenty (20) days of the date of County's request.

3. Funds in the Santa Cruz Excess Revenue Account may only be used at the sole discretion of the County for legally permissible purposes which benefit the Santa Cruz County emergency medical services system or patients by improving the quality, efficiency and/or cost effectiveness of emergency medical services. Legally permissible purposes may include, but are not limited to, funding technological enhancements to the EMS/ambulance system (e.g. radio, communications and computers); offsetting increased dispatch service costs; funding large capital improvements (e.g. ambulances, crew quarters); converting ambulances to alternative fuels (e.g. propane, CNG); retaining consultants to evaluate the EMS system or alternative methods of service delivery; hardship subsidies to Contractor; or supporting one or more nonprofit organizations selected by the County, which are not a subsidiary of or controlled by the County, and which (1) are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and (2) promote accident prevention, public health and safety or similar purposes. Notwithstanding the foregoing, no funds from the Santa Cruz Excess Revenue Account shall be used in a manner that either party reasonably believes may violate 42 U.S.C. Section 1320a-7b (Anti-kickback Statute). At least thirty (30) days prior to making any expenditure from the Santa Cruz Excess Revenue Account, County shall provide Contractor with written notice of the proposed expenditure, including any proposed expenditure described above, which notice shall include an escrow demand for payment consistent with the proposed expenditure. If Contractor reasonably believes that such expenditure, other than an expenditure to a non-profit organization as described herein, may violate the Anti-Kickback Statute, it shall provide written notice to County and the escrow agent within twenty (20) days of the date of delivery of County’s notice. Contractor’s notice shall set forth the basis for its belief that the proposed expenditure may violate the Anti-Kickback Statute. If County and Contractor have a disagreement regarding
whether the proposed expenditure would violate the Anti-Kickback Statute, the parties shall request an advisory opinion from the Office of Inspector General of the Department of Health and Human Services or other applicable agency or, upon mutual agreement, may submit the issue to legal counsel jointly selected and retained by the parties to issue a binding or advisory opinion on the matter. The substance of the request for an OIG advisory opinion or any opinion sought from jointly retained legal counsel shall be agreed upon by both parties prior to its submission. The parties shall share equally the user fee charged by the OIG in seeking an advisory opinion. In the event such advisory opinion disapproves the proposed use and the parties are otherwise unable to agree upon an appropriate use, any amount in the Excess Revenue Account, at the sole discretion of County, may be paid to one or more nonprofit organizations selected by the County, which are not a subsidiary of or controlled by the County, and which (1) are exempt from federal income tax under Section 502(c)(3) of the Internal Revenue Code, and (2) promote accident prevention, public health and safety or similar purposes. In the event that the advisory opinion does not disapprove the proposed use, the escrow agent shall be authorized upon written notice by County to make the requested disbursement.

10.4. Reporting Responsibilities

A. Annual Budget – By June 1 of each year and consistent with the timeline shown in Exhibit H, Contractor will submit an annual budget including a capital-spending plan and a schedule of depreciation for all fixed assets. The budget will follow the Chart of Accounts format as shown in Exhibit I. Changes to the Chart of Accounts may be proposed by the Contractor and, if approved by the HSA Administrator and the Auditor-Controller, shall be incorporated into this Agreement by an amendment executed in compliance with Section 11.16.

County will work with Contractor to arrive at an acceptable budget by December 31st each year. If Contractor fails to submit an annual budget by December 31st, Contractor may be considered in minor breach of contract and County will have 60 days to review budget from submission before any rate increases will be considered.

B. Quarterly Reports – Before the end of the following month of each quarter and consistent with the timeline shown in Exhibit H, Contractor shall submit monthly and year-to-date revenue and expenditure totals by account, following the Chart of Accounts format shown in Exhibit I. At the same time, Contractor shall also submit a schedule by service month of the previous twelve (12) months gross charges and payments received by payor group in a format approved by the Contract Administrator.

C. Third-Party Payor Collection - During any consecutive three (3) month period, if the average expected collections (as approved in the Annual Budget) fall more than two (2) percentile points below the projected collection rate for any payor group the County may request an evaluation of the cause.
D. **Year-End Financial Report** – On or before April 1st each year and consistent with the timeline shown in [Exhibit H](#), Contractor shall submit to the Contract Administrator and the County Auditor-Controller:

1. An annual statement of revenue and expenditure totals by account in accordance with the chart of accounts and reimbursement terms of this contract.

2. Complete audited financial statements report of the local operation to include:
   a. A balance sheet, statement of revenues and expenses, and any other statements and disclosures required in accordance with generally accepted accounting principles (GAAP).
   b. A report on Contractor’s compliance with specified provisions of the agreement (See [Exhibit K](#)).
   c. A management letter from the independent auditor.

3. Additional information to include:
   a. Reconciliation of differences between internal and external reports.
   b. Contractor’s general ledger for local operations.
   c. Accounts receivable activity, patient billings and detailed support for all adjustments and write-offs.
   d. Detailed information and support documentation for all financial reports.
   e. Detailed activity and accounting information and supporting documentation for any revenue generated by personnel and equipment expensed in this Agreement.

E. **Audit** – Assuming County is in receipt of all requested documentation by April 1st, Contract Administrator shall cause an audit to be completed by August 31st. The actual cost of the audit, not to exceed $15,000 shall be charged to the Contractor. County and Contractor agree that making timely requests for information is essential for meeting such timelines.

### 10.5. Penalties, Fees and Bonuses

A. **Penalty for Failure to Meet Response Time Standard** – Contractor shall pay County $30.00 for each ALS and transport response that does not meet the response time standards including the Contractor’s use of mutual aid resources within the EOA if not during a declared disaster or MCI.

B. **Bonus for Exceeding Response Time Standard** – For every contract month that the Contractor’s final response time performance meets the thresholds listed below, the County will reduce the total per-call penalties for that month by the percentage bonus listed below.

<table>
<thead>
<tr>
<th>Percentage Compliance</th>
<th>Bonus</th>
</tr>
</thead>
<tbody>
<tr>
<td>92.0 to 93.9</td>
<td>25%</td>
</tr>
<tr>
<td>94.0 to 95.9</td>
<td>50%</td>
</tr>
<tr>
<td>96.0 to 97.9</td>
<td>75%</td>
</tr>
<tr>
<td>98.0 to 99.9</td>
<td>100%</td>
</tr>
</tbody>
</table>
C. **Penalty for Failure to Leave Appropriate Documentation** -- Penalties for failure to leave appropriate documentation, as defined in County policy, are $5.00 per document. Penalties for compliance below 90% will be $200.00 plus initiation of Minor Breach.

D. **Payment Methodology** – County will make final penalty determinations and invoice the Contractor (and the Contractor shall inform the Subcontractors) of the fines incurred on a monthly basis. Contractor shall pay County all Contractor and Subcontractor penalty assessments on a quarterly basis as follows:

<table>
<thead>
<tr>
<th>Quarter</th>
<th>County Invoice Date</th>
<th>Penalty Assessment Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1st –March 31st</td>
<td>April 10th</td>
<td>April 30th</td>
</tr>
<tr>
<td>April 1st –June 30th</td>
<td>July 10th</td>
<td>July 31st</td>
</tr>
<tr>
<td>July 1st –September 30th</td>
<td>October 10th</td>
<td>October 31st</td>
</tr>
<tr>
<td>October 1st –December 31st</td>
<td>January 10th</td>
<td>January 31st</td>
</tr>
</tbody>
</table>

E. **Start Up** -- Payment of penalties for response time performance shall be phased in during the first ninety (90) days of this Agreement. Contractor shall ensure forty percent (40%) of the penalties assessed to Contractor and Subcontractors in the first month are paid, sixty percent (60%) in the second month; and, eighty percent (80%) in the third month. After this phase in period, 100% of all penalties assessed shall be paid.

F. **Use of Penalty Monies** -- Penalty monies shall be expended in a manner that benefits the EMS system as determined in the sole discretion of the County. The EMS Administrator may seek recommendations from the Technical Advisory Group (TAG) prior to making a recommendation to the Contract Administrator, who shall make the final determination.
SECTION 11
GENERAL CONTRACT REQUIREMENTS

11.1. Contract Termination

A. Without Cause – Either party may terminate the contract at any time without cause upon one hundred and eighty (180) calendar days advance written notice to the other. Prior to giving such notice, the terminating party shall notify the other party of its intention to terminate and shall allow the other party an opportunity to meet and confer with the terminating party concerning such notice of termination.

B. Minor Breach – Except for Failure to Leave Appropriate Documentation as described in Section 5.3, the County may impose a penalty, not to exceed five hundred ($500.00) for each Minor Breach of the contract that has not been cured within thirty (30) days from date of official notice being given by the County or designee.

“Minor Breaches” shall be defined as failure to fulfill any of the terms and conditions of this Agreement, which do not amount to a “Major Breach”, as, that term is defined below.

Before fines for Minor Breach are imposed, the Health Services Agency Administrator, or designee, shall give the Contractor written notice of the alleged Minor Breach and thirty days to cure the breach or otherwise respond to the allegations of breach.

C. Termination For Cause – County may terminate the contract at any time for cause for major breach of its provisions affecting the public health and safety, consistent with the provisions herein.

“Major Breach” shall be defined as:

1. Failure of Contractor to operate its ambulances and emergency medical services program in a manner which enables the County and the Contractor to remain in substantial compliance with the requirements of Federal, State, and local laws, rules and regulations.

2. Willful material falsification of information supplied by the Contractor in its proposal and during the consideration, implementation, and subsequent operation of its ambulance and emergency medical services program, including, but not limited to, dispatch data, patient reporting data, and response time performance data, as relates to the contract;

3. Chronic or persistent failure of the Contractor’s employees to conduct themselves in a professional and courteous manner where reasonable remedial action has not been taken by the Contractor;

4. Failure to comply with the response time performance requirements for two consecutive months, or for any three months in a calendar year, shall be a
“Minor Breach” of this Agreement. Failure to comply with these response
time performance requirements for three consecutive months, or for any four
months in a calendar year, shall be a “Major Breach” of this Agreement.

5. Failure to substantially and consistently meet or exceed the various clinical
and staffing standards required herein and accepted by the County;

6. Failure to participate in the established Continuous Quality Improvement
program of the Santa Cruz County EMS Agency, including, but not limited to
investigation of incidents and implementing prescribed corrective actions;

7. Failure to maintain equipment or vehicles in accordance with good
maintenance practices, or to replace equipment or vehicles in accordance with
Contractor's submitted and accepted Equipment Replacement Policy, except
as extended use of such equipment is approved by the County as provided for
herein;

8. Chronic or persistent failure to comply with conditions stipulated by the
County to correct any “Minor Breach” conditions;

9. Failure of the Contractor to cooperate with and assist the County in the
investigation or correction of any “Minor or Major Breach” of the terms of
this Agreement;

10. Failure by Contractor to cooperate with and assist the County in its takeover
or replacement of Contractor’s operations after a Major Breach has been
declared by the County, as provided for herein, even if it is later determined
that such default never occurred or that the cause of such default was beyond
Contractor’s reasonable control;

11. Failure to assist in the orderly transition, or scaling down of services upon the
end of the exclusive operating area agreement if a subsequent EOA agreement
with Contractor is not awarded;

12. Failure to comply with required payment of fines or penalties within thirty
(30) days written notice of the imposition of such fine or penalty;

13. Failure to maintain in force throughout the term of this Agreement, including
any extensions thereof, the insurance coverage required herein;

14. Failure to maintain in force throughout the term of this Agreement, including
any extensions thereof, the performance security requirements as specified
herein;

15. Willful attempts by Contractor to intimidate or otherwise punish employees
who desire to interview with or to sign contingent employment agreements
with competing Contractors during a subsequent bid cycle;
16. Any willful attempts by Contractor to intimidate or otherwise punish or
dissuade personnel in cooperating with or reporting concerns, deficiencies,
etc., to the Santa Cruz County EMS Agency;

17. Any other willful acts or omissions of the Contractor that endanger the public
health and safety; and,

18. Failure to prepare and submit the required Year End Financial Report, the
independent audit and the management letter within ten (10) days after the due
date; and,

19. Failure to pay all excess revenues due into the Santa Cruz Excess Revenues
account as required by 10.3 (C) (1).

D. Declaration of Major Breach and Takeover/Replacement Service – If the County
Board of Supervisors determines that a Major Breach has occurred, and that the
nature of the breach is, in the County’s reasonable opinion, such that the breach
constitutes a serious and immediate threat to public health and safety, and after
Contractor has been given notice and reasonable opportunity to correct such
deficiency, Contractor shall cooperate completely and immediately with the County
to effect a prompt and orderly takeover or replacement by the County of Contractor’s
Santa Cruz County operations.

E. Emergency Takeover/Replacement Service -- Immediately upon notification by
County that it has determined that a major breach has occurred and that said breach
constitutes a serious and immediate threat to public health and safety as provided in
subsection 11.1 (D) above, all of the Contractor’s vehicles and related property,
including, but not limited to, medical equipment, supplies and facilities necessary for
performance of services shall be deemed leased to the County until permanent
disposition of the situation has been achieved. The Contractor shall promptly deliver
such vehicles, equipment, supplies and facilities to the control of the County
including, but not limited to, all front line and reserve vehicles used in Santa Cruz
County, sites used to house equipment, staff, and communications equipment used in
providing EMS services. Each ambulance shall be equipped, at a minimum with the
equipment and supplies necessary for the operation of an ALS ambulance in
accordance with the County ALS policies and procedures and supplies shall include
the supplies necessary for the minimum stocking levels of an ALS ambulance.

The Contractor shall be required to deliver the above delineated vehicles and
equipment to the County in mitigation of any damages to the County resulting from
Contractor’s breach. The County shall pay monthly rent to the Contractor equal to
the fair market value for the use of the facilities, equipment or vehicles used in the
performance of this Agreement as hereinafter defined. “Fair market value” shall be
deemed to be equal to the aggregate monthly amount of the Contractor’s debt service
for all facilities, equipment or vehicles used in the performance of this Agreement
that are being financed to a purchase or lease schedule as documented by the
Contractor at the Contract Administrator’s request, and verified by the County.
Payments for use of Contractor’s other vehicles and equipment shall be based on the
fair market value thereof, taking into account the age and condition of the items and using a monthly payment schedule that is based on an interest free amortization schedule for the then current anticipated useful life of the equipment which in no event shall be longer than the life remaining on the Contractor's depreciation schedule determined in accordance with GAAP.

The County shall disburse any payments that are made to either the Contractor or the Contractor's obligee during the takeover period. Such payments shall be made within thirty (30) days of takeover and every thirty (30) days thereafter. The County shall also be entitled to utilize, for payments equal to Contractor's cost, all other services and supplies of the Contractor or available to the Contractor not previously addressed including billing, maintenance, administrative consulting and management services. The Contractor shall assign all applicable service, supply or other agreements to the County.

F. Dispute After Takeover/Replacement – Such takeover/replacement shall be effected within 72 hours after finding of Major Breach by the County Board of Supervisors meeting the criteria for takeover/replacement. Contractor shall not be prohibited from disputing any such finding of such breach through litigation, provided, however, that such litigation shall not have the effect of delaying, in any way, the immediate takeover/replacement of operations by the County. Neither shall such dispute by the Contractor delay the County's access to Contractor's performance security.

Any legal dispute concerning a finding of breach shall be initiated only after the emergency takeover/replacement has been completed. The Contractor's cooperation with, and full support of, such emergency takeover/replacement process, as well as the immediate release of performance security funds to the County, shall not be construed as acceptance by Contractor of the finding of major default, and shall not in any way jeopardize the Contractor's right to recovery should a court later determine that the declaration of major default was in error. However, failure on the part of the Contractor to cooperate fully with the County to effect a safe and orderly takeover/replacement of services shall itself constitute a major breach under the terms of the contract, even if it is later determined that the original declaration of major breach was made in error.

G. Breach Not Dangerous to Public Health and Safety – If the County declares the Contractor to be in breach on grounds other than performance deficiencies dangerous to public health and safety, the Contractor may dispute the County's claim of major breach prior to termination of this Agreement.

H. Liquidated Damages – The unique nature of the services that are the subject of the contract requires that, in the event of major default of a type that endangers the public health and safety, the County must restore services immediately, and the Contractor must cooperate fully to effect the most orderly possible takeover/replacement of operations. In the event of such a takeover/replacement of Contractor's operations by the County it would be difficult or impossible to distinguish the cost to the County of effecting the takeover/replacement, the cost of correcting the default, the excess operating cost to the County during an interim period, and cost of recruiting a
replacement Contractor from the normal cost to the County that would have occurred even if the default had not occurred. Similarly, if takeover/replacement costs and interim operating costs are high, it would be impossible to determine the extent to which such higher costs were the result of Contractor's default or from faulty management of the County's costs during takeover and interim operations.

For these reasons, this liquidated damages provision is a fair and necessary part of this Contract. The minimum amount of these additional costs to the County (e.g., costs in excess of those that would have been incurred by the County if the default had not occurred) could be not less than $300,000 even assuming County's takeover/replacement management team is fully competent to manage the previously contracted functions.

Therefore, in the event of such a declared major breach, the Contractor shall pay County liquidated damages in the amount of $300,000.

I. County Responsibilities – In the event of termination, County shall be responsible for complying with all laws, if any, respecting reduction or termination of prehospital medical services.

J. "Lame Duck" Provisions – If the Contractor fails to win the bid in a subsequent bid cycle, the County shall depend upon the Contractor to continue provision of all services required under the contract until the winning Contractor takes over operations. Under these circumstances, the Contractor would, for a period of several months, serve as a "lame duck". To ensure continued performance fully consistent with the requirements of the contract throughout any such "lame duck" period, the following provisions shall apply:

Throughout such "lame duck" period, the Contractor shall continue all operations and support services at substantially the same levels of effort and performance as were in effect prior to the award of the subsequent contract to the subsequent winning Contractor;

The Contractor shall make no changes in methods of operation that could reasonably be considered aimed at cutting Contractor's service and operating costs to maximize profits during the final stages of the contract;

The Contractor may reasonably begin to prepare for transition of service to the new Contractor during the "lame duck" period, and the County shall not unreasonably withhold its approval of the outgoing Contractor's requests to begin an orderly transition process, including reasonable plans to relocate staff, scale down certain inventory items, etc., so long as such transition activities do not impair the Contractor's performance during such "lame duck" period, and so long as such transition activities are prior-approved by the County.

11.2. Indemnification For Damages, Taxes And Contributions

Contractor shall exonerate, indemnify, defend, and hold harmless County from and against:
Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which County may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with the Contractor's performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the County. Such indemnification includes any damage to the person(s), or property(ies) of Contractor and third persons.

Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to Contractor and Contractor's officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

11.3. Equal Employment Opportunity

During and in relation to the performance of this Agreement, Contractor agrees as follows:

Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, physical or mental disability, medical condition (cancer related), marital status, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. Such action shall include, but not be limited to, the following: recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.

The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, ancestry, physical or mental disability, medical condition (cancer related), marital status, sex, sexual orientation, age (over 18), veteran status, pregnancy, or any other non-merit factor unrelated to job duties. In addition, the Contractor shall make a good faith effort to consider Minority/Women/Disabled Owned Business Enterprises in Contractor's solicitation of goods and services. Definitions for Minority/Women/Disabled Business Enterprises are available from the County General Services Purchasing Division.

As part of the Contractor's Annual Report, the Contractor shall furnish County Equal Employment Opportunity Office information and reports in the prescribed reporting format (PER 4012) identifying the sex, race, physical or mental disability, and job classification of its employees and the names, dates and methods of advertisement and direct solicitation efforts made to subcontract with Minority/Women/Disabled Business Enterprises.

In the event of the Contractor's non-compliance with the non-discrimination clauses of this Agreement or with any of the said rules, regulations, or orders said Contractor may be declared ineligible for further agreements with the County.

The Contractor shall cause the foregoing provisions of this section to be inserted in all subcontracts for any work covered under this Agreement by a subcontractor compensated more than $50,000 and employing more than fifteen (15) employees, provided that the
foregoing provisions shall not apply to contracts or subcontracts for standard commercial
supplies or raw materials.

11.4. Independent Contractor

It is agreed that Contractor shall perform as an independent contractor under this Agreement. Contractor is, for all purposes arising out of this Agreement, an independent contractor, and shall not be deemed an employee of the County. It is expressly understood and agreed that the Contractor and its employees shall in no event be entitled to any benefits to which County employees are entitled, including, but not limited to, overtime, any retirement benefits, worker's compensation benefits, and injury leave or leave benefits. The Board of Directors/Trustees of Contractor shall be vested with the responsibility for the administration of the program to be conducted under this Agreement.

By their signatures to this Contract, each party certifies that it is his or her considered judgment that the Contractor engaged under this Contract is in fact an independent contractor.

11.5. Confidentiality Of Records

Contractor agrees that all information and records obtained in the course of providing services to County in the program shall be subject to confidentiality and disclosure provisions of applicable Federal and State statutes and regulations adopted pursuant thereto. Contractor agrees that it has a duty and responsibility to make available to the County Administrator or his/her designated representatives, including the Auditor-Controller of the County, the contents of records pertaining to County which are maintained in connection with the performance of Contractor's duties and responsibilities under this Agreement, subject to the provisions of the heretofore mentioned Federal and State statutes and regulations. The County acknowledges its duties and responsibilities regarding such records under such statutes and regulations.

11.6. Assignability

The Contractor shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the County thereto; provided, however, that claims for money due or to become due to Contractor from County under this Agreement may be assigned without such approval. Notice of any assignment or transfer shall be furnished promptly to County.

11.7. Interest Of Contractor

Contractor covenants that it presently has no interest, including but not limited to, other projects or independent contractors, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed or retained by him under this Agreement.
11.8. Political Activities Prohibited

None of the funds, provided directly or indirectly, under this contract shall be used for any political activities or to further the election or defeat of any candidate for public office. No Contractor shall utilize or allow its name to be utilized in any endorsement of any candidate for elected office. Neither the contract nor any funds provided thereunder shall be utilized in support of any partisan political activities for or against the election of candidates for an elected office.

11.9. Lobbying

None of the funds provided under this contract shall be used for publicity or propaganda purposes designed to support or defeat any legislation pending before State or Federal legislatures or the Board of Supervisors of the County to an extent other than allowed under applicable federal tax regulations for tax exempt corporations pursuant to 26 C.F.R., Section 501(c)(3)ib(3).

11.10. Conformance To Regulations

Contractor shall perform this Agreement in conformance with all applicable Federal, State and local rules and regulations, including applicable facility and professional licensure and/or certification laws.

11.11. Conformance To Law

This Agreement shall be construed and interpreted according to the laws of the State of California, the United States of America and the ordinances of the County of Santa Cruz.

11.12. Monitoring

Contractor agrees that County shall have the right to monitor the services provided under this Agreement. Monitoring shall be conducted according to standards and guidelines as set forth by State and County requirements. Contractor agrees to provide County’s Administrator, or his/her designee, with access to all applicable files and records as may be necessary to monitor the services according to the standards or guidelines described above.

11.13. Reports

Contractor shall submit written reports of operations, and other reports as requested by County according to the table shown in Exhibits B and E. The format for the content of such reports will be developed by County in consultation with Contractor. Reports shall be submitted to Contract Administrator.


All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other material or properties produced under this Agreement shall be the property of County. No such materials or properties produced in whole or in part under this Agreement...
shall be subject to private use, copyright or patent right by Contractor in the United States or
in any other country without the express written consent of the County. County shall have
unrestricted authority to publish, disclose, distribute and otherwise use copyright or patent
right by Contractor in the United States or in any other country without the express written
consent of the Contractor. County shall have unrestricted authority to publish, disclose,
distribute and otherwise use copyright or patent, in whole or in part, any such reports,
studies, data, statistics, forms or other materials or properties produced under this Agreement.

11.15. Evaluation/Research

Evaluation or research involving contact with past or present recipients of services provided
under this Agreement shall be permitted with the informed consent of the recipient and only
after the Contractor has determined that the conduct of such evaluation or research will not
adversely affect the quality of services provided or individual participation in services.
County reserves the right to prohibit or terminate evaluation or research activities, which in
its judgment jeopardize the quality of services or individual participation in services,
provided under this Agreement.

11.16. Changes

County may from time to time request changes in the scope of the services of Contractor to
be performed hereunder. Such changes, including any increase or decrease in the amount of
Contractor’s compensation, which are mutually agreed upon by and between County and
Contractor, shall be effective when incorporated in written amendments in this Agreement.
No alteration, amendment, or modification of the terms of this Agreement shall be valid
unless executed by written amendment hereto and approved by County.

Amendments or modifications to the provisions of this Agreement, including its term, may
be initiated by either party and may be incorporated into this Agreement if it is in writing and
approved by the parties.

11.17. Retention And Audit Of Records

Contractor shall retain records pertinent to this Agreement for a period of not less than five
(5) years after final payment under this Agreement or until a final audit report is accepted by
County, whichever occurs last. Contractor hereby agrees to be subject to the examination
and audit by the Santa Cruz County Auditor-Controller, the Auditor General of the State of
California, federal auditors or the designee of either for a period of five (5) years after final
payment under this Agreement.
<table>
<thead>
<tr>
<th>Exhibit</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>BOA Map</td>
</tr>
<tr>
<td>B</td>
<td>Initial Reporting Requirements</td>
</tr>
<tr>
<td>C</td>
<td>Deployment Map</td>
</tr>
<tr>
<td>D</td>
<td>Response Time Map</td>
</tr>
<tr>
<td>E</td>
<td>Ongoing Reporting Requirements</td>
</tr>
<tr>
<td>F</td>
<td>Santa Cruz County Rates</td>
</tr>
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<td>G</td>
<td>Sample Sliding Scale Procedure</td>
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<td>H</td>
<td>Fiscal Timelines</td>
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<td>I</td>
<td>Chart of Accounts</td>
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<td>J</td>
<td>Depreciation Table</td>
</tr>
<tr>
<td>K</td>
<td>Auditor Compliance Report</td>
</tr>
<tr>
<td>L</td>
<td>Definitions</td>
</tr>
<tr>
<td>M</td>
<td>Business Services Agreement</td>
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EXHIBIT A

EOA Map
## EXHIBIT B

### Initial Reporting Requirements

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<td>September 1, 2003</td>
<td>AMR</td>
<td>Contract Administrator</td>
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<tr>
<td>Deployment Plan</td>
<td>September 1, 2003</td>
<td>AMR</td>
<td>Contract Administrator</td>
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<tr>
<td>MCIP Plan</td>
<td>September 1, 2003</td>
<td>County</td>
<td>AMR</td>
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<tr>
<td>Vehicle List</td>
<td>September 1, 2003</td>
<td>AMR</td>
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<td>September 30, 2003</td>
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EXHIBIT C

Deployment Map

AMR Ambulances

ALS Fire Engines

County of Santa Cruz
Emergency Ambulance Agreement
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EXHIBIT D

Response Time Map

- URBAN: 8 MIN FIRST MEDIC, 12 MIN TRANSPORT
- SUBURBAN: 12 MIN FIRST MEDIC, 18 MIN TRANSPORT
- RURAL: 20 MIN FIRST MEDIC, 30 MIN TRANSPORT

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Emergency Ambulance Agreement
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## EXHIBIT E

### Ongoing Reporting Requirements

<table>
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<tr>
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<td>Deployment Plan Changes</td>
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<td>EMS Administrator</td>
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<td>Response Time</td>
<td>20 business days</td>
<td>Monthly</td>
<td>AMR</td>
<td>EMS Administrator</td>
</tr>
<tr>
<td>Performance Report</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Penalty Invoices</td>
<td>10th of the month following quarter</td>
<td>Quarterly</td>
<td>County</td>
<td>AMR</td>
</tr>
<tr>
<td>Complaints, non-clinical</td>
<td>January 1st April 1st July 1st October 1st</td>
<td>Quarterly</td>
<td>AMR</td>
<td>Contract Administrator</td>
</tr>
<tr>
<td>Employee Records</td>
<td>January 1st April 1st July 1st October 1st</td>
<td>Quarterly</td>
<td>AMR</td>
<td>Contract Administrator</td>
</tr>
<tr>
<td>CQI Program Activities</td>
<td>January 31st</td>
<td>Annually</td>
<td>AMR</td>
<td>Contract Administrator</td>
</tr>
<tr>
<td>Community Education</td>
<td>January 31st</td>
<td>Annually</td>
<td>AMR</td>
<td>Contract Administrator</td>
</tr>
<tr>
<td>Controlled Substances Compliance</td>
<td>January 31st</td>
<td>Annually</td>
<td>AMR</td>
<td>Contract Administrator</td>
</tr>
<tr>
<td>Employee Turnover Report</td>
<td>January 31st</td>
<td>Annually</td>
<td>AMR</td>
<td>Contract Administrator</td>
</tr>
<tr>
<td>New Employee Orientation Activities</td>
<td>January 31st</td>
<td>Annually</td>
<td>AMR</td>
<td>Contract Administrator</td>
</tr>
<tr>
<td>In-service Training Offerings</td>
<td>January 31st</td>
<td>Annually</td>
<td>AMR</td>
<td>Contract Administrator</td>
</tr>
<tr>
<td>Vehicle List /Equipment Replacement Plan</td>
<td>January 31st</td>
<td>Annually</td>
<td>AMR</td>
<td>Contract Administrator</td>
</tr>
<tr>
<td>Vehicle Maintenance</td>
<td>January 31st</td>
<td>Annually</td>
<td>AMR</td>
<td>Contract Administrator</td>
</tr>
</tbody>
</table>
## EXHIBIT F

### Santa Cruz County Rates

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Rate</th>
<th>Bundle Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALS BASE RATE</td>
<td>836.00</td>
<td></td>
</tr>
<tr>
<td>ALS MILEAGE</td>
<td>21.53</td>
<td></td>
</tr>
<tr>
<td>AMB MILEAGE TO SNF</td>
<td>21.53</td>
<td>296.27</td>
</tr>
<tr>
<td>ADDITIONAL MILEAGE</td>
<td>21.53</td>
<td>98.07</td>
</tr>
<tr>
<td>ADENOSINE</td>
<td>126.76</td>
<td>4.79</td>
</tr>
<tr>
<td>AIRWAY / ORAL</td>
<td>7.69</td>
<td>19.94</td>
</tr>
<tr>
<td>AIRWAY / NASAL</td>
<td>15.21</td>
<td>21.90</td>
</tr>
<tr>
<td>ALBUTEROL NEBULIZER **</td>
<td>34.66</td>
<td>29.32</td>
</tr>
<tr>
<td>ARM BOARDS LONG</td>
<td>2.66</td>
<td>21.40</td>
</tr>
<tr>
<td>ARM BOARDS SHORT</td>
<td>2.66</td>
<td>21.19</td>
</tr>
<tr>
<td>ASPIRIN</td>
<td>0.12</td>
<td>8.96</td>
</tr>
<tr>
<td>ATROPINE</td>
<td>20.53</td>
<td>8.96</td>
</tr>
<tr>
<td>ATROPINE 8MG</td>
<td>22.52</td>
<td>7.84</td>
</tr>
<tr>
<td>BANDAGES ROLLER</td>
<td>3.92</td>
<td>81.30</td>
</tr>
<tr>
<td>BANDAGES TRIANGULAR</td>
<td>7.87</td>
<td>58.24</td>
</tr>
<tr>
<td>BED PAN</td>
<td>7.78</td>
<td>76.79</td>
</tr>
<tr>
<td>BENADRYL</td>
<td>30.05</td>
<td>7.99</td>
</tr>
<tr>
<td>BLANKET, DISPOSABLE</td>
<td>15.21</td>
<td>4.96</td>
</tr>
<tr>
<td>BLOOD GLUCOSE TEST</td>
<td>20.56</td>
<td>21.23</td>
</tr>
<tr>
<td>BURN SHEET</td>
<td>28.35</td>
<td>137.49</td>
</tr>
<tr>
<td>CHUX PAD</td>
<td>4.54</td>
<td>20.56</td>
</tr>
<tr>
<td>COLD/HOT PACK CCT</td>
<td>12.46</td>
<td>7.36</td>
</tr>
<tr>
<td>CRICO/CREST SUPPLIES</td>
<td>82.86</td>
<td>22.76</td>
</tr>
<tr>
<td>C-SPINE BOARD</td>
<td>276.79</td>
<td>22.52</td>
</tr>
<tr>
<td>DEFIB ELECTRODES</td>
<td>89.89</td>
<td>11.02</td>
</tr>
<tr>
<td>DEXTROSE 50%</td>
<td>22.65</td>
<td>15.70</td>
</tr>
<tr>
<td>DISPOSABLE LINEN</td>
<td>22.98</td>
<td>110.78</td>
</tr>
<tr>
<td>DOPAMINE DRIP</td>
<td>38.44</td>
<td>17.22</td>
</tr>
<tr>
<td>DRESSING - MAJOR</td>
<td>7.69</td>
<td>22.60</td>
</tr>
<tr>
<td>EKG ELECTRODES</td>
<td>15.33</td>
<td>88.64</td>
</tr>
<tr>
<td>EMESIS BASIN</td>
<td>1.76</td>
<td>177.28</td>
</tr>
<tr>
<td>EOA, COMBI-TUBE, PTL</td>
<td>217.58</td>
<td>17.65</td>
</tr>
<tr>
<td>EPI 1:10,000</td>
<td>22.65</td>
<td>7.78</td>
</tr>
<tr>
<td>EPI 1:1000 1MG/1CC</td>
<td>20.81</td>
<td>71.92</td>
</tr>
<tr>
<td>EPI MULTI DOSE</td>
<td>23.10</td>
<td>18.03</td>
</tr>
</tbody>
</table>

**Bundled charge**
EXHIBIT G

Sample Sliding Scale Procedure

A. Contractor will interview the patient or guarantor to determine their financial profile. Verification of income in the form of paycheck receipts for the last three months or a copy of the most recent tax return may be required.

B. After eligibility for Medi-Cal or any other third party coverage is determined to not be in force, eligibility for a compassionate care allowance will be based on the patient/guarantor's gross income for the last three months annualized, less medical expenses incurred in the last year, and the size of the family.

C. The general formula for determining eligibility is:
   1. Total gross income for the last 3 months divided by 3 = Monthly Income
   2. Multiply Monthly Income by 12 = Annualized Income
   3. Subtract all out-of-pocket medical expenses from the Annualized Income = Compassionate Care Allowance Income
   4. Locate the family size on the chart (total number including mother, father and dependents...do not include non-dependent household residents) and the corresponding income level and note the eligible allowance percentage.

D. Compassionate care allowances will be determined using the following maximum annual income table (based on federal poverty levels increased by 125%):

<table>
<thead>
<tr>
<th>Family Size</th>
<th>100% Allowance</th>
<th>80% Allowance</th>
<th>60% Allowance</th>
<th>40% Allowance</th>
<th>20% Allowance</th>
<th>0% Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$10,562</td>
<td>$11,297</td>
<td>$12,031</td>
<td>$12,766</td>
<td>$13,501</td>
<td>$13,929+</td>
</tr>
<tr>
<td>2</td>
<td>$14,235</td>
<td>$14,970</td>
<td>$15,705</td>
<td>$16,440</td>
<td>$17,175</td>
<td>$17,524+</td>
</tr>
<tr>
<td>3</td>
<td>$17,910</td>
<td>$18,644</td>
<td>$19,378</td>
<td>$20,113</td>
<td>$20,848</td>
<td>$21,118+</td>
</tr>
<tr>
<td>4</td>
<td>$21,583</td>
<td>$22,317</td>
<td>$23,052</td>
<td>$23,787</td>
<td>$24,522</td>
<td>$24,713+</td>
</tr>
<tr>
<td>5</td>
<td>$25,257</td>
<td>$25,992</td>
<td>$26,725</td>
<td>$27,460</td>
<td>$28,195</td>
<td>$28,307+</td>
</tr>
<tr>
<td>6</td>
<td>$28,930</td>
<td>$29,665</td>
<td>$30,399</td>
<td>$31,134</td>
<td>$31,869</td>
<td>$31,902+</td>
</tr>
<tr>
<td>7</td>
<td>$32,604</td>
<td>$33,338</td>
<td>$34,072</td>
<td>$34,807</td>
<td>$35,542</td>
<td>$35,496+</td>
</tr>
<tr>
<td>8</td>
<td>$36,277</td>
<td>$37,012</td>
<td>$37,747</td>
<td>$38,481</td>
<td>$39,216</td>
<td>$39,091+</td>
</tr>
</tbody>
</table>

E. The approval for compassionate care allowances will be for the single episode of care unless the patient's treatment requires recurring transports that will also be approved for charity. Contractor will perform a quarterly review of the patient's financial status for recurring services.
## EXHIBIT H

### Fiscal Timelines

<table>
<thead>
<tr>
<th>Product</th>
<th>Due Date*</th>
<th>Responsible</th>
<th>Timeline to Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year End Financial Report</td>
<td>April 1st</td>
<td>AMR</td>
<td>4 months</td>
</tr>
<tr>
<td>Quarterly Report (Jan 1 – Mar 31)</td>
<td>April 30th</td>
<td>AMR</td>
<td>1 month</td>
</tr>
<tr>
<td>Completed Audit</td>
<td>August 31st</td>
<td>County</td>
<td>5 months</td>
</tr>
<tr>
<td>Annual budget submitted to County AMR</td>
<td>October 1st</td>
<td>AMR</td>
<td>N/A</td>
</tr>
<tr>
<td>Quarterly Report (Apr 1 – June 30)</td>
<td>July 31st</td>
<td>AMR</td>
<td>1 month</td>
</tr>
<tr>
<td>Approval of AMR budget and annual rate adjustment</td>
<td>December 31st</td>
<td>County</td>
<td>3 months</td>
</tr>
<tr>
<td>Annual rate adjustment implemented</td>
<td>January 1st</td>
<td>AMR</td>
<td>1 day</td>
</tr>
<tr>
<td>Quarterly Report (Jul 1 – Sep 30)</td>
<td>October 31st</td>
<td>AMR</td>
<td>1 month</td>
</tr>
<tr>
<td>Quarterly Report (Oct 1 – Dec 31st)</td>
<td>January 31st</td>
<td>AMR</td>
<td>1 month</td>
</tr>
</tbody>
</table>

*Extensions to timeline must be mutually agreed to by County and Contractor*
## EXHIBIT I

Santa Cruz County
Chart of Accounts

<table>
<thead>
<tr>
<th>Account #</th>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4005</td>
<td>ALS Revenue</td>
<td>Advanced Life Support Fee-for-Service gross charges</td>
</tr>
<tr>
<td>4010</td>
<td>BLS Revenue</td>
<td>Basic Life Support Fee-For-Service gross charges</td>
</tr>
<tr>
<td>4015</td>
<td>Long Distance Revenue</td>
<td>Long Distance Fee-For-Service gross charges</td>
</tr>
<tr>
<td>4020</td>
<td>CCT Revenue</td>
<td>Critical Care Transport Fee-For-Service gross charges</td>
</tr>
<tr>
<td>4030</td>
<td>Chair Car Revenue</td>
<td>Wheel Chair Car Fee-For-Service gross charges</td>
</tr>
</tbody>
</table>

### Contractual Allowances

<table>
<thead>
<tr>
<th>Account #</th>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4108</td>
<td>Contractual Allow prov ALS</td>
<td>Contractual discounts allowed to government and other contracted payers-Advanced Life Support</td>
</tr>
<tr>
<td>4110</td>
<td>Contractual Allow prov BLS</td>
<td>Contractual discounts allowed to government and other contracted payers-Basic Life Support</td>
</tr>
<tr>
<td>4120</td>
<td>Contractual Allow prov CCT</td>
<td>Contractual discounts allowed to government and other contracted payers-Critical Care</td>
</tr>
<tr>
<td>4130</td>
<td>Contractual Allow prov Chair Car</td>
<td>Contractual discounts allowed to government and other contracted payers-Wheel chair</td>
</tr>
<tr>
<td>4141</td>
<td>Contractual Allow prov Long Dist</td>
<td>Contractual discounts allowed to government and other contracted payers-Long distance</td>
</tr>
</tbody>
</table>

### Provision for Uncompensated Care

<table>
<thead>
<tr>
<th>Account #</th>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4205</td>
<td>Prov for uncomp care - ALS</td>
<td>Bad debt expense - Advanced Life Support</td>
</tr>
<tr>
<td>4210</td>
<td>Prov for uncomp care - BLS</td>
<td>Bad debt expense - Basic Life Support</td>
</tr>
<tr>
<td>4220</td>
<td>Prov for uncomp care - CCT</td>
<td>Bad debt expense - Critical Care</td>
</tr>
<tr>
<td>4230</td>
<td>Prov for uncomp care - chair</td>
<td>Bad debt expense - Wheel chair</td>
</tr>
<tr>
<td>4240</td>
<td>Prov for uncomp care - cap</td>
<td>Bad debt expense - capitated contract</td>
</tr>
<tr>
<td>4250</td>
<td>Prov for uncomp care - LD</td>
<td>Bad debt expense - Long distance</td>
</tr>
<tr>
<td>4290</td>
<td>Prov for uncomp care - Path</td>
<td>Bad debt expense - Pathways</td>
</tr>
</tbody>
</table>

### Other Revenue

<table>
<thead>
<tr>
<th>Account #</th>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4310</td>
<td>Government subsidy</td>
<td>Subsidy revenue received from the government agencies</td>
</tr>
<tr>
<td>4320</td>
<td>Government offsets</td>
<td>Contract revenue payments to government agencies</td>
</tr>
<tr>
<td>4330</td>
<td>Public utility model revenue</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4332</td>
<td>Other contract revenue</td>
<td>Contract revenue other than fee-for-service</td>
</tr>
<tr>
<td>4335</td>
<td>Primary triage revenue</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4340</td>
<td>Nurse triage revenue</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4345</td>
<td>Physician referral revenue</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4350</td>
<td>Pathways implementation fee</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4355</td>
<td>Pathways admin fee revenue</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4360</td>
<td>Pathways misc support fees</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4365</td>
<td>Capitated contract revenue</td>
<td>Revenue received from capitated contracts</td>
</tr>
<tr>
<td>4367</td>
<td>Kaiser Capitated Revenue</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4370</td>
<td>Ext med trans costs under</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4375</td>
<td>Standby and special event</td>
<td>Site based standby fee revenue</td>
</tr>
<tr>
<td>Account #</td>
<td>Definition</td>
<td>Description</td>
</tr>
<tr>
<td>----------</td>
<td>------------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>4910</td>
<td>Other contract revenue</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4920</td>
<td>Subscription income</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4930</td>
<td>Long distance revenue</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4940</td>
<td>Flight revenue</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4950</td>
<td>Equity in earnings of JV</td>
<td>Not applicable</td>
</tr>
<tr>
<td>4960</td>
<td>Other non-transport revenue</td>
<td>Miscellaneous revenue not related to transports</td>
</tr>
<tr>
<td>4990</td>
<td>Other misc revenue offsets</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

**Operating Expenses (direct costs incurred by local operations)**

**Salaries**

<table>
<thead>
<tr>
<th>Account #</th>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>5003</td>
<td>Salaries - paramedics</td>
<td>All types of wages paid to Paramedics including regular, overtime, PTO, training, etc.</td>
</tr>
<tr>
<td>5010</td>
<td>Salaries - EMTs</td>
<td>Not applicable</td>
</tr>
<tr>
<td>5015</td>
<td>Salaries - flight crews</td>
<td>Not applicable</td>
</tr>
<tr>
<td>5020</td>
<td>Salaries - drivers</td>
<td>Not applicable</td>
</tr>
<tr>
<td>5021</td>
<td>Salaries - Livery Drivers</td>
<td>Not applicable</td>
</tr>
<tr>
<td>5030</td>
<td>Salaries - nurses</td>
<td>Not applicable</td>
</tr>
<tr>
<td>5040</td>
<td>Salaries - technicians</td>
<td>Not applicable</td>
</tr>
<tr>
<td>5050</td>
<td>Salaries - ops supervisors</td>
<td>All types of wages paid to field supervisors including regular, overtime, PTO, training, etc.</td>
</tr>
<tr>
<td>5060</td>
<td>Salaries - dispatchers</td>
<td>Not applicable</td>
</tr>
<tr>
<td>5070</td>
<td>Salaries - maintenance</td>
<td>Salaries of maintenance personnel (vehicle service technicians, etc.)</td>
</tr>
<tr>
<td>5080</td>
<td>Salaries - administration</td>
<td>Salaries of Administration Personnel (managers, vice presidents, etc)</td>
</tr>
<tr>
<td>5081</td>
<td>Salaries - finance</td>
<td>Salaries of finance personnel</td>
</tr>
<tr>
<td>5082</td>
<td>Salaries - human relations</td>
<td>Salaries of HR personnel</td>
</tr>
<tr>
<td>5083</td>
<td>Salaries - safety and risk</td>
<td>Salaries of safety &amp; risk personnel</td>
</tr>
<tr>
<td>5084</td>
<td>Salaries - clinical &amp; education</td>
<td>Salaries of CES employees</td>
</tr>
<tr>
<td>5085</td>
<td>Salaries - info technology</td>
<td>Salaries of IT personnel</td>
</tr>
<tr>
<td>5086</td>
<td>Salaries - bus dev &amp; govt</td>
<td>Salaries of business development personnel</td>
</tr>
<tr>
<td>5087</td>
<td>Salaries - purchasing</td>
<td>Salaries of purchasing employees</td>
</tr>
<tr>
<td>5088</td>
<td>Salaries - Front end billing</td>
<td>Salaries of pre-billing personnel</td>
</tr>
<tr>
<td>5100</td>
<td>Temporary &amp; subcontract lab</td>
<td>Salaries for any temporary labor, traveling nurses, etc.</td>
</tr>
</tbody>
</table>

**Benefits**

<table>
<thead>
<tr>
<th>Account #</th>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>5110</td>
<td>Workers compensation</td>
<td>On the job injury compensation for employees</td>
</tr>
<tr>
<td>5120</td>
<td>Health insurance</td>
<td>Employer's portion of health insurance expense</td>
</tr>
<tr>
<td>5130</td>
<td>Dental insurance</td>
<td>Employer's portion of dental insurance expense</td>
</tr>
<tr>
<td>5140</td>
<td>Disability insurance</td>
<td>Employer's portion of disability insurance</td>
</tr>
<tr>
<td>5160</td>
<td>401K contribution</td>
<td>Employer's portion of 401K expense</td>
</tr>
<tr>
<td>5170</td>
<td>Other pension plan expense</td>
<td>Not applicable</td>
</tr>
<tr>
<td>5175</td>
<td>Benefits - other</td>
<td>Not applicable</td>
</tr>
<tr>
<td>5180</td>
<td>Other insurance benefits</td>
<td>Life insurance</td>
</tr>
<tr>
<td>5185</td>
<td>Tuition</td>
<td>Tuition reimbursement to employees</td>
</tr>
<tr>
<td>5190</td>
<td>Benefits - other</td>
<td>Flex benefit, EAP, etc.</td>
</tr>
<tr>
<td>5195</td>
<td>Auto Allowance</td>
<td>Not applicable</td>
</tr>
<tr>
<td>5300</td>
<td>Payroll taxes</td>
<td>Payroll taxes incurred by employer, such as FICA, FUTA, SDI, etc.</td>
</tr>
</tbody>
</table>

**Depreciation**

<table>
<thead>
<tr>
<th>Account #</th>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>5810</td>
<td>Depr exp - bldg &amp; bldg impr</td>
<td>Depreciation associated with buildings and/or building improvements</td>
</tr>
<tr>
<td>Account#</td>
<td>Definition</td>
<td>Description</td>
</tr>
<tr>
<td>----------</td>
<td>------------</td>
<td>-------------</td>
</tr>
<tr>
<td>5811</td>
<td>Depr exp- bldg &amp; bldg impr</td>
<td>Depreciation associated with buildings and/or building improvements related to Y2K</td>
</tr>
<tr>
<td>5820</td>
<td>Depr exp-leasehold impr</td>
<td>Depreciation associated to leasehold improvements</td>
</tr>
<tr>
<td>5821</td>
<td>Depr exp-leasehold impr y2k</td>
<td>Depreciation associated to leasehold improvements related to Y2K</td>
</tr>
<tr>
<td>5830</td>
<td>Depr exp-med vehicles</td>
<td>Depreciation associated with ambulances, QRV's, etc. (any medical vehicles)</td>
</tr>
<tr>
<td>5831</td>
<td>Depr exp-med vehicles y2k</td>
<td>Depreciation associated with ambulances, QRV's, etc. (any medical vehicles) pertaining to Y2K</td>
</tr>
<tr>
<td>5835</td>
<td>Depr exp-leased vehicles</td>
<td>Depreciation associated with non-medical vehicles (Supervisor units, etc.)</td>
</tr>
<tr>
<td>5840</td>
<td>Depr exp-other vehicles</td>
<td>Depreciation associated with non-medical vehicles (Supervisor units, etc.)</td>
</tr>
<tr>
<td>5841</td>
<td>Depr exp-other vehicles y2k</td>
<td>Depreciation associated with non-medical vehicles (Supervisor units, etc.) pertaining to Y2K</td>
</tr>
<tr>
<td>5850</td>
<td>Depr exp-medical equipment</td>
<td>Depreciation associated with medical equipment (defibrillators, ventilators, etc.)</td>
</tr>
<tr>
<td>5852</td>
<td>Depr exp-medical equip y2k</td>
<td>Depreciation associated with medical equipment (defibrillators, ventilators, etc.) pertaining to Y2K</td>
</tr>
<tr>
<td>5860</td>
<td>Depr exp-comm equipment</td>
<td>Depreciation associated with communications equipment</td>
</tr>
<tr>
<td>5861</td>
<td>Depr exp-comm equip y2k</td>
<td>Depreciation associated with communications equipment pertaining to Y2K</td>
</tr>
<tr>
<td>5870</td>
<td>Depr exp-fleet main exp</td>
<td>Depreciation associated with any fleet maintenance items that were large enough to be considered a capital expenditure</td>
</tr>
<tr>
<td>5871</td>
<td>Depr exp-fleet main exp y2k</td>
<td>Depreciation associated with any fleet maintenance items that were large enough to be considered a capital expenditure, pertaining to Y2K</td>
</tr>
<tr>
<td>5880</td>
<td>Depr exp-office equipment</td>
<td>Depreciation associated with large office equipment items (desks, chairs, etc.)</td>
</tr>
<tr>
<td>5881</td>
<td>Depr exp-office equipment</td>
<td>Depreciation associated with large office equipment items (desks, chairs, etc.) pertaining to Y2K</td>
</tr>
<tr>
<td>5890</td>
<td>Depr exp-computer &amp; software</td>
<td>Depreciation associated with computer and software (printers, fax machines, etc.)</td>
</tr>
<tr>
<td>5891</td>
<td>Depr exp-comp &amp; software</td>
<td>Depreciation associated with computer and software (printers, fax machines, etc.) pertaining to Y2K</td>
</tr>
<tr>
<td>6110</td>
<td>GE Vehicle Lease</td>
<td>Vehicle lease expense—medical vehicles</td>
</tr>
</tbody>
</table>

**Vehicle Operating Costs**

<table>
<thead>
<tr>
<th>Account#</th>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>6201</td>
<td>Medical vehicles - gas &amp; tolls</td>
<td>Gas and tolls expense incurred</td>
</tr>
<tr>
<td>6210</td>
<td>Licenses &amp; registration</td>
<td>Licenses and registration expense for vehicles</td>
</tr>
<tr>
<td>6220</td>
<td>Med vehicle - operating lea</td>
<td>Operating lease on medical vehicles</td>
</tr>
<tr>
<td>6230</td>
<td>Radio &amp; Comm equip - operat</td>
<td>Operating lease on radio and communications equipment</td>
</tr>
<tr>
<td>6290</td>
<td>Med vehicles - lease exp in</td>
<td>Vehicle leasing expense</td>
</tr>
<tr>
<td>6301</td>
<td>R &amp; M - vehicles parts</td>
<td>Repair and maintenance, vehicle parts</td>
</tr>
<tr>
<td>6310</td>
<td>R &amp; M - oil lubricants</td>
<td>Repair and maintenance, oil lubricants</td>
</tr>
<tr>
<td>6320</td>
<td>R &amp; M - accident repairs</td>
<td>Repair and maintenance, accident repairs</td>
</tr>
<tr>
<td>Account#</td>
<td>Definition</td>
<td>Description</td>
</tr>
<tr>
<td>----------</td>
<td>------------</td>
<td>-------------</td>
</tr>
<tr>
<td>6330</td>
<td>R &amp; M - vehicle towing</td>
<td>Repair and maintenance, vehicle towing</td>
</tr>
<tr>
<td>6340</td>
<td>R &amp; M - vehicle batteries</td>
<td>Repair and maintenance, vehicle batteries</td>
</tr>
<tr>
<td>6350</td>
<td>R &amp; M - vehicle tires</td>
<td>Repair and maintenance, vehicle tires</td>
</tr>
<tr>
<td>6360</td>
<td>R &amp; M - shop supplies</td>
<td>Repair and maintenance, shop supplies</td>
</tr>
<tr>
<td>6370</td>
<td>R &amp; M - external labor cost</td>
<td>Repair and maintenance, external labor costs</td>
</tr>
<tr>
<td>6380</td>
<td>R &amp; M - customer prop damage</td>
<td>Repair and maintenance, customer property damage</td>
</tr>
<tr>
<td>6390</td>
<td>R &amp; M - radio &amp; comm repair</td>
<td>Repair and maintenance, radio and communications repair</td>
</tr>
</tbody>
</table>

**Medical Supplies**

<table>
<thead>
<tr>
<th>Account#</th>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>6401</td>
<td>Medical Supplies</td>
<td>General medical supplies</td>
</tr>
<tr>
<td>6405</td>
<td>Medical Supplies Restock</td>
<td>The cost of re-supplying fire agency first responders for supplies not charged to patients</td>
</tr>
<tr>
<td>6410</td>
<td>Medical Supplies - drugs</td>
<td>Drugs and medications</td>
</tr>
<tr>
<td>6415</td>
<td>Medical Supplies - Oxygen</td>
<td>Oxygen expenses</td>
</tr>
<tr>
<td>6420</td>
<td>Medical Supplies - non-capital</td>
<td>Durable non-capital items such as backboards, splints, etc.</td>
</tr>
</tbody>
</table>

**Insurance**

<table>
<thead>
<tr>
<th>Account#</th>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>6501</td>
<td>Insurance-automobiles</td>
<td>Combined rate for auto liability, general liability, and professional liability insurance coverage</td>
</tr>
<tr>
<td>6510</td>
<td>Insurance genl liability</td>
<td>Not applicable</td>
</tr>
<tr>
<td>6520</td>
<td>Insurance-building &amp; contents</td>
<td>Not applicable</td>
</tr>
<tr>
<td>6525</td>
<td>Insurance-other</td>
<td>Not applicable</td>
</tr>
<tr>
<td>6530</td>
<td>Insurance-umbrella</td>
<td>Not applicable</td>
</tr>
<tr>
<td>6550</td>
<td>Insurance-officers life</td>
<td>Not applicable</td>
</tr>
<tr>
<td>6590</td>
<td>Insurance-other</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

**Telecommunications**

<table>
<thead>
<tr>
<th>Account#</th>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>6601</td>
<td>Telephone - local</td>
<td>Local telecommunications expense</td>
</tr>
<tr>
<td>6610</td>
<td>Telephone - long distance</td>
<td>Long distance telecommunications expense</td>
</tr>
<tr>
<td>6620</td>
<td>Telephone - cellular</td>
<td>Cellular telecommunications expense</td>
</tr>
<tr>
<td>6625</td>
<td>Telephone - Cell Accessories</td>
<td>Miscellaneous cellular telecomm items</td>
</tr>
<tr>
<td>6630</td>
<td>Telephone - pagers</td>
<td>Pagers expense</td>
</tr>
<tr>
<td>6640</td>
<td>Telephone - maintenance</td>
<td>All telecommunications maintenance expenses (i.e. repair, etc.)</td>
</tr>
</tbody>
</table>

**Occupancy**

<table>
<thead>
<tr>
<th>Account#</th>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>6701</td>
<td>Facilities - rent</td>
<td>Rent on stations, operations, etc.</td>
</tr>
<tr>
<td>6710</td>
<td>Utilities</td>
<td>Electricity, gas, and cable</td>
</tr>
<tr>
<td>6740</td>
<td>Water &amp; sewer</td>
<td>Water expense and bottled water delivery</td>
</tr>
<tr>
<td>6750</td>
<td>Rubbish removal</td>
<td>Garbage, shredding services, etc.</td>
</tr>
<tr>
<td>6760</td>
<td>Facilities Cleaning</td>
<td>Janitorial services</td>
</tr>
<tr>
<td>6770</td>
<td>Property Taxes</td>
<td>Property taxes</td>
</tr>
<tr>
<td>6775</td>
<td>Other</td>
<td>Not used</td>
</tr>
<tr>
<td>6780</td>
<td>R &amp; M Facilities</td>
<td>Various items such as HVAC repair, pest control, lock and keys, etc.</td>
</tr>
<tr>
<td>6790</td>
<td>Other Occupancy</td>
<td>Items such as coffee &amp; tea, paper plates, etc.</td>
</tr>
</tbody>
</table>

**Other Operating Expenses**

<table>
<thead>
<tr>
<th>Account#</th>
<th>Definition</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>6901</td>
<td>Amortization of start-up costs</td>
<td>Not applicable</td>
</tr>
<tr>
<td>6910</td>
<td>Response Time Penalties</td>
<td>Response time penalties incurred in the provision of emergency services</td>
</tr>
<tr>
<td>6912</td>
<td>Penalties - Kaiser</td>
<td>Not applicable</td>
</tr>
<tr>
<td>6920</td>
<td>Uniforms</td>
<td>Employee uniform expense</td>
</tr>
<tr>
<td>6930</td>
<td>Laundry</td>
<td>Towel laundering, employee laundry expense</td>
</tr>
<tr>
<td>Account#</td>
<td>Description</td>
<td>Definition</td>
</tr>
<tr>
<td>----------</td>
<td>------------------------------</td>
<td>----------------------------------------</td>
</tr>
<tr>
<td>6940</td>
<td>Employee physicals</td>
<td>Employee physicals</td>
</tr>
<tr>
<td>6950</td>
<td>Medical Waste removal</td>
<td>Removal of medical waste</td>
</tr>
<tr>
<td>6960</td>
<td>Dispatch Service fees</td>
<td>Fees paid to third party communications centers for the dispatching AMR units</td>
</tr>
<tr>
<td>6970</td>
<td>Medical Equipment</td>
<td>Non-capital medical equipment items</td>
</tr>
<tr>
<td>6975</td>
<td>R&amp;M Medical equipment repairs</td>
<td>Repairs on items such as defibrillators, suction units, pulse-oximeters, etc.</td>
</tr>
<tr>
<td>6980</td>
<td>Business and employee licenses</td>
<td>Business licenses, state paramedic license fees, etc.</td>
</tr>
<tr>
<td>6985</td>
<td>First Responder Fees</td>
<td>Amounts paid to third party first responder agencies</td>
</tr>
<tr>
<td>6990</td>
<td>Other Operating expenses</td>
<td>Other general operating expenses. For Santa Cruz, this is where excess revenue sharing accruals are charged</td>
</tr>
<tr>
<td>6995</td>
<td>Purchasing Card Misc. Expenses</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Professional Fees</th>
<th>Description</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>7101</td>
<td>Audit and Tax Fees</td>
<td>Fees incurred directly related to local operations – audit and tax</td>
</tr>
<tr>
<td>7110</td>
<td>Legal Fees</td>
<td>Fees incurred directly related to local operations – legal fees</td>
</tr>
<tr>
<td>7111</td>
<td>Legal Settlement costs</td>
<td>Fees incurred directly related to local operations – legal settlement</td>
</tr>
<tr>
<td>7120</td>
<td>Medical director fees</td>
<td>Fees incurred directly related to local operations – medical director</td>
</tr>
<tr>
<td>7140</td>
<td>Payroll service fees</td>
<td>Fees incurred directly related to local operations – payroll service</td>
</tr>
<tr>
<td>7150</td>
<td>A/R processing fees</td>
<td>Fees incurred directly related to local operations – accounts receivable</td>
</tr>
<tr>
<td>7160</td>
<td>Consulting fees</td>
<td>Fees incurred directly related to local operations – consultants</td>
</tr>
<tr>
<td>7170</td>
<td>External Provider Expense</td>
<td>Fees incurred directly related to local operations – external providers</td>
</tr>
<tr>
<td>7180</td>
<td>Intracompany PBS Billing</td>
<td>Not applicable</td>
</tr>
<tr>
<td>7190</td>
<td>Other professional fees</td>
<td>Fees incurred directly related to local operations – other professional</td>
</tr>
<tr>
<td>7191</td>
<td>Outside Consulting -Y2K</td>
<td>Not applicable</td>
</tr>
<tr>
<td>7192</td>
<td>National Contract/TPA</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>G&amp;A expenses incurred by local operations</th>
<th>Description</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>7201 Travel - general</td>
<td>Travel costs incurred by local Santa Cruz staff</td>
<td></td>
</tr>
<tr>
<td>7201.1 Airfare/Rail</td>
<td>Travel costs incurred by local Santa Cruz staff</td>
<td></td>
</tr>
<tr>
<td>7201.2 Car Rental</td>
<td>Travel costs incurred by local Santa Cruz staff</td>
<td></td>
</tr>
<tr>
<td>7201.3 Taxi</td>
<td>Travel costs incurred by local Santa Cruz staff</td>
<td></td>
</tr>
<tr>
<td>7201.4 Parking/Tolls</td>
<td>Travel costs incurred by local Santa Cruz staff</td>
<td></td>
</tr>
<tr>
<td>7201.5 Lodging</td>
<td>Travel costs incurred by local Santa Cruz staff</td>
<td></td>
</tr>
<tr>
<td>7201.6 Laundry/Porter</td>
<td>Laundry expense while traveling incurred by employee</td>
<td></td>
</tr>
<tr>
<td>7201.9 Company Paid Airfare</td>
<td>Used for central billing of company paid air fares</td>
<td></td>
</tr>
<tr>
<td>7210 Meals &amp; entertainment-50% deduct</td>
<td>Meal expenses incurred by employee (50% deductible)</td>
<td></td>
</tr>
<tr>
<td>7211 Meals/entertainment-100% deduct</td>
<td>Meal expenses incurred by employee (100% deductible)</td>
<td></td>
</tr>
<tr>
<td>7220 Employee Mileage Reimbursement</td>
<td>Reimbursing employees for traveling beyond their usual and customary commute distance for meetings, etc.</td>
<td></td>
</tr>
<tr>
<td>Account #</td>
<td>Description</td>
<td>Definition</td>
</tr>
<tr>
<td>-----------</td>
<td>-------------</td>
<td>------------</td>
</tr>
<tr>
<td>7300</td>
<td>Training, seminars &amp; conventions</td>
<td>Employee training expenses incurred by employee (for reimbursement)</td>
</tr>
<tr>
<td>7330</td>
<td>Professional organization dues</td>
<td>For example, a membership to the Fire Chief's Assn.</td>
</tr>
<tr>
<td>7400</td>
<td>Supplies</td>
<td>Items such as printer paper, staples, paper clips, etc.</td>
</tr>
<tr>
<td>7410</td>
<td>Non capital equipment/supplies</td>
<td>Miscellaneous non-capital equipment</td>
</tr>
<tr>
<td>7420</td>
<td>Office equipment - Operating lease</td>
<td>Include items such as a copy machine and postage meter</td>
</tr>
<tr>
<td>7430</td>
<td>Computer equipment-Operating lease</td>
<td>Not applicable</td>
</tr>
<tr>
<td>7440</td>
<td>Other rental &amp; leases</td>
<td>Anything leased other than vehicles, office equipment, and computer equipment.</td>
</tr>
<tr>
<td>7450</td>
<td>R&amp;M office and computer equip</td>
<td>Repair and maintenance of office equipment (fax machines, computers, etc.)</td>
</tr>
<tr>
<td>7460</td>
<td>Software Licensing Fees</td>
<td>Licensing for new software</td>
</tr>
<tr>
<td>7500</td>
<td>Advertising</td>
<td>Items pertaining to the advertising of AMR (public service announcements, newspaper ads, etc.)</td>
</tr>
<tr>
<td>7510</td>
<td>Bank Charges</td>
<td>Any miscellaneous bank fees</td>
</tr>
<tr>
<td>7520</td>
<td>Bond &amp; LOC fees</td>
<td>Fees incurred in the provision of performance security to County agencies</td>
</tr>
<tr>
<td>7530</td>
<td>Political contributions/lobbying</td>
<td>Not applicable</td>
</tr>
<tr>
<td>7540</td>
<td>Employee relations</td>
<td>Employee recognition program costs, holiday party etc.</td>
</tr>
<tr>
<td>7550</td>
<td>Non deductible fines &amp; penalties</td>
<td>Non deductible fines &amp; penalties</td>
</tr>
<tr>
<td>7560</td>
<td>Postage</td>
<td>General postage incurred by local operations</td>
</tr>
<tr>
<td>7570</td>
<td>Overnight delivery</td>
<td>Items such as Fed Ex, UPS incurred by local operations</td>
</tr>
<tr>
<td>7580</td>
<td>Printing</td>
<td>Printing expense incurred for items such as policies, protocols, etc.</td>
</tr>
<tr>
<td>7600</td>
<td>Recruitment</td>
<td>General recruiting of new employees</td>
</tr>
<tr>
<td>7610</td>
<td>Subscriptions &amp; periodicals</td>
<td>Subscriptions to trade journals, newspapers, etc.</td>
</tr>
<tr>
<td>7620</td>
<td>Charitable donations</td>
<td>Charitable donations</td>
</tr>
<tr>
<td>7630</td>
<td>Social club dues</td>
<td>Not applicable</td>
</tr>
<tr>
<td>7640</td>
<td>Other Taxes</td>
<td>Not applicable</td>
</tr>
<tr>
<td>7650</td>
<td>Relocation expense</td>
<td>Expenses incurred to relocate personnel into the local operating area</td>
</tr>
<tr>
<td>7700</td>
<td>Other general admin charges</td>
<td>Not applicable</td>
</tr>
<tr>
<td>7800</td>
<td>Gain/loss on sales of Fixed</td>
<td>Residual net book value of a disposed asset</td>
</tr>
<tr>
<td>7800.1</td>
<td>NBV of Disposed Asset</td>
<td>Residual net book value of a disposed asset</td>
</tr>
<tr>
<td>7800.2</td>
<td>Cash Proceeds</td>
<td>Cash proceeds received from the disposal of fixed assets</td>
</tr>
<tr>
<td>7810</td>
<td>Miscellaneous income</td>
<td>Incidental receipts from non-operating activities</td>
</tr>
<tr>
<td>7820</td>
<td>Rental income</td>
<td>Not applicable</td>
</tr>
<tr>
<td>7850</td>
<td>Finance Charges</td>
<td>Not applicable</td>
</tr>
<tr>
<td>7870</td>
<td>Unrealized gain/loss</td>
<td>Not applicable</td>
</tr>
<tr>
<td>7890</td>
<td>Gain/loss on sale of investments</td>
<td>Not applicable</td>
</tr>
<tr>
<td>7900</td>
<td>Reorg Costs- Severance</td>
<td>Not applicable</td>
</tr>
<tr>
<td>7910</td>
<td>Reorg Costs-Lease Term</td>
<td>Not applicable</td>
</tr>
<tr>
<td>7920</td>
<td>Reorg Costs-Transition</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Regional Overhead Allocation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------------------</td>
<td>------------------</td>
<td></td>
</tr>
<tr>
<td><strong>7951.10</strong> Administration</td>
<td>Regional administration (Livermore)</td>
<td></td>
</tr>
<tr>
<td><strong>7951.16</strong> QA/CES</td>
<td>Regional quality assurance &amp; clinic education services (Livermore)</td>
<td></td>
</tr>
<tr>
<td><strong>7951.20</strong> Communications</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td><strong>7951.50</strong> PBS</td>
<td>Regional patient business services (Modesto)</td>
<td></td>
</tr>
<tr>
<td><strong>7951.60</strong> Fleet</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td><strong>7951.80</strong> Finance</td>
<td>Regional finance (Livermore)</td>
<td></td>
</tr>
<tr>
<td><strong>7951.83</strong> Business Development</td>
<td>Regional business development (Livermore)</td>
<td></td>
</tr>
<tr>
<td><strong>7951.84</strong> Human Resources</td>
<td>Regional human resources (Livermore)</td>
<td></td>
</tr>
<tr>
<td><strong>7951.85</strong> I.T</td>
<td>Regional information technology (Modesto)</td>
<td></td>
</tr>
<tr>
<td><strong>7951.88</strong> Government Relations</td>
<td>Regional government relations (Livermore)</td>
<td></td>
</tr>
<tr>
<td><strong>7951.91</strong> Purchasing</td>
<td>Regional purchasing services (Livermore)</td>
<td></td>
</tr>
<tr>
<td><strong>7951.92</strong> Risk and Safety</td>
<td>Regional risk management &amp; safety services (Livermore)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Locational Overhead Allocation</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>7952.10</strong> Administration</td>
<td>Coastal operations support</td>
</tr>
<tr>
<td><strong>7952.16</strong> QA/CES</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>7952.20</strong> Communications</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>7952.50</strong> PBS</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>7952.60</strong> Fleet</td>
<td>Coastal operations support - Fleet (San Jose)</td>
</tr>
<tr>
<td><strong>7952.83</strong> Business Development</td>
<td>Coastal operations support</td>
</tr>
<tr>
<td><strong>7952.88</strong> Government Relations</td>
<td>Coastal operations support</td>
</tr>
</tbody>
</table>
# EXHIBIT J

## Asset Depreciable Lives

*Note: All depreciation should be calculated using the straight-line method using the depreciable lives listed below.*

<table>
<thead>
<tr>
<th>Asset Category</th>
<th>Depreciable Life in Years</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ambulances</td>
<td>5</td>
<td>All ambulance vehicles.</td>
</tr>
<tr>
<td>Other Medical Vehicles</td>
<td>5</td>
<td>Light general purpose trucks, wheelchair vans, supervisor vehicles, etc.</td>
</tr>
<tr>
<td>Computer Software - Purchased</td>
<td>3</td>
<td>Internally developed software is often be expensed.</td>
</tr>
<tr>
<td>Data Handling Equipment</td>
<td>5</td>
<td>Except computers, includes typewriters, calculators, accounting machines, copiers, fax machines, etc.</td>
</tr>
<tr>
<td>Gas Pumps and Connecting Underground Gas Tanks</td>
<td>5</td>
<td>Applicable fuel equipment.</td>
</tr>
<tr>
<td>High Technology Medical Equipment (1)</td>
<td>5</td>
<td>Electronic, electromechanical or computer based high tech equipment used in screening, monitoring, observation, diagnosis or treatment of patients.</td>
</tr>
<tr>
<td>Information Systems</td>
<td>3</td>
<td>Computers and peripheral equipment such as printers, disk drives, tape drives, terminals, etc.</td>
</tr>
<tr>
<td>Mobile Communications Equipment</td>
<td>5</td>
<td>Cellular/mobile phones, two-way radios and other similar mobile communications.</td>
</tr>
<tr>
<td>Non-technical Medical Equipment</td>
<td>5</td>
<td>Gurneys, wheelchairs, etc.</td>
</tr>
<tr>
<td>Office Furniture and Fixtures</td>
<td>5</td>
<td>Office telephone and communications equipment, desks, chairs, files, safes, carpeting, etc. Does not include assets that are structural building components.</td>
</tr>
<tr>
<td>Other Furniture</td>
<td>5</td>
<td>Provided for use by ambulance operators/paramedical persons when at the base including beds, sofas, televisions, refrigerators, microwaves, etc.</td>
</tr>
<tr>
<td>Land Improvements</td>
<td>15</td>
<td>Improvements directly to or added to land, provided such improvements are depreciable (not land itself). Includes shrubbery, sidewalks, fences, landscaping, etc.</td>
</tr>
<tr>
<td>Leasehold Improvements (2)</td>
<td>5</td>
<td>Improvements to leased buildings.</td>
</tr>
<tr>
<td>Buildings</td>
<td>5</td>
<td>Improvements to owned buildings.</td>
</tr>
</tbody>
</table>

(1) Defibrillators are depreciated over 7 years. 
(2) Leasehold and building improvements are depreciated 5 years or the term of the lease.
EXHIBIT K

Auditor Compliance Report

Independent auditors will include tests of contract compliance in their examination of Contractor's financial statements and provide a compliance report expressing their opinion on compliance with fiscal provisions of the contract specified below. Auditor's report shall include a schedule showing any findings of non-compliance.

Auditors' opinion should state compliance with the following contract provisions:

1. Revenues and expenses are in accordance with the chart of accounts at Exhibit I.

2. Direct expenses include no intra-company charges except as provided in the definition of direct expenses in Exhibit L.

3. Reported expenses include no unallowable expenses as defined in Exhibit L.
<table>
<thead>
<tr>
<th><strong>Definitions</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Advanced Life Support (ALS)</strong></td>
</tr>
<tr>
<td><strong>Advanced Life Support (ALS) Ambulance</strong></td>
</tr>
<tr>
<td><strong>ALS Response Time (ART)</strong></td>
</tr>
<tr>
<td><strong>Ambulance</strong></td>
</tr>
<tr>
<td><strong>Annual Profit</strong></td>
</tr>
<tr>
<td><strong>Base Hospital</strong></td>
</tr>
<tr>
<td><strong>Basic Life Support (BLS)</strong></td>
</tr>
<tr>
<td><strong>Basic Life Support (BLS) Ambulance</strong></td>
</tr>
<tr>
<td><strong>Business Day</strong></td>
</tr>
<tr>
<td><strong>Computer Aided Dispatch (CAD)</strong></td>
</tr>
<tr>
<td><strong>Code 2 Call</strong></td>
</tr>
</tbody>
</table>
Immediate dispatch of first responders and ambulance with lights and sirens.

The Director of the Santa Cruz County Health Services Agency or her/his designee.

January 1st

The cost to the Contractor of providing first response with in-house resources (arriving on the scene in 8:00 minutes or less, 90% of the time with two paramedics in the Urban areas, 12:00 minutes in the Suburban areas and 20:00 minutes in the Rural areas) compared to the cost to the Contractor using First Responder Agencies to meet the ALS Response Time and the Contractor meeting the Transport Response Time with two paramedics in 12:00 minutes or less, 90% of the time in the Urban areas, 18:00 minutes in the Suburban areas, and 30 minutes in the Rural areas.

Continuous Quality Improvement

An operational methodology that lists and defines the number of unit hours to be supplied by the Contractor, along with the placement of these units, by hour of day and day of week based on historical demand patterns.

As approved by County as shown in Exhibit J.

Expenses incurred by the Contractor in the delivery of field services and transport under this agreement and incurred in the local Santa Cruz County operations and fees directly related to the local operations. Intra-company charges are not allowable as direct expenses, except for allocated self-insurance charges, which must be based upon allocation formulas consistently and fairly applied to Contractor’s operations. Direct expenses are included in the Chart of Accounts labeled “Operating Expenses” as shown in Exhibit I, exclusive of any accounts defined as General and Administration Expenses or Indirect Expenses.

As defined in California Health and Safety Code 1797.70, emergency means a condition or situation in which an individual has a need for immediate medical attention, or where the potential for such need is perceived by emergency medical personnel or a public safety agency.

The committee appointed by the Board of Supervisors that is advisory to the EMS Agency and Board of Supervisors, and makes recommendations regarding standards, rules and regulations related to the medical and clinical aspects of ALS and ambulance service and prehospital care.

A series of components that allow the dispatcher to prioritize calls, send appropriate resources with the appropriate response, and provide pre-arrival instructions if needed.
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Medical Technician -I (EMT-I)</td>
<td>As defined in the Health and Safety Code Section 1797.80.</td>
</tr>
<tr>
<td>Emergency Medical Technician - Paramedic (EMT-P)</td>
<td>As defined in the Health and Safety Code Section 1797.84.</td>
</tr>
<tr>
<td>Emergency Medical Services Integration Authority (EMSIA)</td>
<td>A joint powers authority to integrate fire-based medical resources with the County ambulance provider.</td>
</tr>
<tr>
<td>EMS Agency</td>
<td>Santa Cruz County Emergency Medical Services Agency</td>
</tr>
<tr>
<td>Exception</td>
<td>A late response as determined by response time criteria</td>
</tr>
<tr>
<td>Excess Revenues</td>
<td>Contractor's net revenues less allowable direct expenses, general administration, indirect expenses and allowable annual profit as described in Section 10.3 (A).</td>
</tr>
<tr>
<td>Exclusive Operating Area (EOA)</td>
<td>An EMS area or sub-area of Santa Cruz County that restricts operations to one or more emergency advanced life support ambulance providers as defined by California Health and Safety Code 1797.85.</td>
</tr>
<tr>
<td>Exemption</td>
<td>A determination to exclude an EMS event from the predetermined response time criteria due to factors outside of the Contractors/Subcontractors control.</td>
</tr>
<tr>
<td>Fire Integration</td>
<td>A signed agreement between AMR and EMSIA that is approved by the Contract Administrator, to include:</td>
</tr>
<tr>
<td></td>
<td>• Detailed Continuous Quality Improvement responsibilities of each party</td>
</tr>
<tr>
<td></td>
<td>• Expectation of trainings to be offered and attendance at training sessions by each party</td>
</tr>
<tr>
<td></td>
<td>• Specific equipment and supply exchange/purchase responsibilities</td>
</tr>
<tr>
<td></td>
<td>• Career ladder opportunities and anticipated process</td>
</tr>
<tr>
<td></td>
<td>• BLS intercept cost recovery and process</td>
</tr>
<tr>
<td></td>
<td>• Response time expectations</td>
</tr>
<tr>
<td></td>
<td>• All fiscal specifications including penalties and fees agreed among the parties</td>
</tr>
<tr>
<td>First Responder</td>
<td>A fire department vehicle or police vehicle with personnel capable of providing appropriate prehospital care.</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------------------------------------------------------------------------</td>
</tr>
<tr>
<td>General and Administration Expenses</td>
<td>Expenses incurred within the local Santa Cruz Operation to support field services and for the general direction of the local operation under this agreement. General and administration expenses are included in the Chart of Accounts in category “G&amp;A expenses incurred by local operations” as shown in Exhibit I.</td>
</tr>
<tr>
<td>HIPAA</td>
<td>Health Insurance Portability and Accountability Act of 1996.</td>
</tr>
<tr>
<td>Indirect Expenses</td>
<td>Expenses not incurred in the local operation but necessary for the support of the Santa Cruz operation. Indirect expenses are those included in the Chart of Accounts category “Direct Shared Support Services” as shown in Exhibit I, i.e. Regional Overhead Allocations and Locational Overhead Allocations.</td>
</tr>
<tr>
<td>Management Letter</td>
<td>A letter prepared by independent auditors, in addition to the required reports on internal controls or reportable conditions, to make recommendations to the client on internal controls and potential risks, accounting practices and operating efficiencies.</td>
</tr>
<tr>
<td>Medical Direction</td>
<td>Direction given ambulance personnel by a base hospital physician through direct voice contact or through an approved M.I.C.N., as required by applicable medical protocols.</td>
</tr>
<tr>
<td>Medical Director</td>
<td>A physician with experience in emergency medical systems who provides medical oversight to the EMS System, pursuant to Section 1797.204 of the Health and Safety Code.</td>
</tr>
<tr>
<td>MCI Plan</td>
<td>Santa Cruz County Multi-Casualty Incident Plan.</td>
</tr>
<tr>
<td>Netcom</td>
<td>See SCCECC below.</td>
</tr>
<tr>
<td>Net Revenue</td>
<td>Net revenue equals gross revenues, less an allowance for contractual adjustments and uncompensated care. Net revenue shall be used as the basis for calculation of contractor’s Profit and Excess Revenues.</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>All reasonable and necessary expenses incurred in the Santa Cruz Operation including direct, general and administration and indirect expenses.</td>
</tr>
<tr>
<td>Penalty/Penalties</td>
<td>The sum to be forfeited by the Contractor in case of nonfulfillment of stipulations in this Agreement.</td>
</tr>
<tr>
<td>Prehospital Advisory Committee (PAC)</td>
<td>Formed to advise the EMS Medical Director on issues concerning the technical aspects in the provision of prehospital care.</td>
</tr>
<tr>
<td>Profit</td>
<td>Contractor's net revenues less allowable direct expenses, general administration and indirect expenses.</td>
</tr>
<tr>
<td>Quick Response Vehicle (QRV)</td>
<td>A vehicle approved by the County that is staffed with a paramedic and may be used as a first response vehicle by the Contractor.</td>
</tr>
<tr>
<td><strong>Rural</strong></td>
<td>All census places with a population density of less than 50 persons per square mile; or census tracts and enumeration districts without census tracts that have a population density of 7 to 50 persons per square mile. (Reference: State of California, Emergency Medical Services Authority, EMS System Standards and Guidelines.)</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td><strong>SCCECC/Netcom</strong></td>
<td>Santa Cruz Consolidated Emergency Communications Center (SCCECC) is a Joint Powers Authority (JPA) created by, and providing public safety and 911 dispatch services for, the County of Santa Cruz, and the Cities of Santa Cruz, Watsonville, and Capitola. The JPA also provides services for nine (9) Fire Districts, American Medical Response West (the paramedic and ambulance transport provider), and County Animal Control Services.</td>
</tr>
<tr>
<td><strong>Subcontractor</strong></td>
<td>A person or entity that contracts with the Contractor pursuant to County approval to perform services under this Agreement.</td>
</tr>
<tr>
<td><strong>Suburban</strong></td>
<td>All census places with a population density of 51 to 100 persons or more per square mile; or census tracts and enumeration districts without census tracts that have a population density of 51 to 100 persons per square mile. (Reference: State of California, Emergency Medical Services Authority, EMS System Standards and Guidelines).</td>
</tr>
<tr>
<td><strong>System Status Management Plan</strong></td>
<td>An algorithm and written operating procedures for on-line, real-time management of system resources through system deployment, posting patterns and redeployment of units and unit hours to meet the ongoing demand of the system and to optimize system coverage consistent with real time needs of the system.</td>
</tr>
<tr>
<td><strong>Technical Advisory Group (TAG)</strong></td>
<td>Appointed by the Health Services Agency Administrator to monitor the performance of this Agreement and evaluate Contractor and Subcontractor compliance with Agreement terms and conditions. The findings and recommendations of the TAG shall be reported to the Contract Administrator.</td>
</tr>
<tr>
<td><strong>Transport Response Time (TRT)</strong></td>
<td>The measurement of time lapsed from the hour, minute and second the call is dispatched by SCCECC to the hour, minute and second of the arrival on the scene of two paramedics in an ambulance, regardless of whether the ambulance is provided by the Contractor or Subcontractor.</td>
</tr>
</tbody>
</table>
For purposes of the Agreement the following categories of expenses will not be allowed: political contributions or lobbying expenses, response time penalties, charitable contributions, bonuses or other employee payments not required by Contractor's labor agreements or otherwise agreed upon. County acknowledges that the exempt employees as outlined below are eligible to participate in an annual company sponsored incentive plan. County may review such plan upon request and Contractor will notify County of any changes in such plan during the life of this Agreement. Proposed incentive plan amounts will be included as part of the annual budget. Positions eligible are the Director of Operations, Paramedic Field Supervisors and Clinical Education Coordinator.

Unallowable Expenses

The demand for system resources that exceeds historical demand at the ninety fifth (95th) percentile by 120% for day of week and time of day for the past six (6) months, for a period of two hours.

Unusual System Overload

All census places with a population density of 101 to 500 persons per square mile; or census tracts and enumeration districts without census tracts that have a population density of 101 to 500 persons or more per square mile. (Reference: State of California, Emergency Medical Services Authority, EMS System Standards and Guidelines).

Urban
EXHIBIT M

Business Services Agreement

This Business Associate Agreement (this "Agreement") is entered into effective as of September 1, 2003, by and between the COUNTY OF SANTA CRUZ, hereinafter referred to as "Business Associate") and AMERICAN MEDICAL RESPONSE WEST (hereinafter referred to as "Covered Entity") in order to comply with the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191), 42 U.S.C. Section 1320d, et. seq., and regulations promulgated thereunder, governing protected health information ("PHI), as amended from time to time (statute and regulations hereinafter collectively referred to as "HIPAA").

1. Use and Disclosure of Protected Health Information

Except as otherwise provided in this agreement, Business Associate, may use or disclose protected health information to perform functions, activities or services for or on behalf of the Covered Entity, hereinafter referred to as the Covered Entity, as specified in this agreement, provided that such use or disclosure does not violate the Health Insurance Portability and Accountability Act (HIPAA), (U.S.C. 1320d et seq.), and its implementing regulations including but not limited to 45 Code of Federal Regulations parts 142, 160, 162, and 164, hereinafter referred to as the Privacy Rule. The uses and disclosures of PHI may not exceed the limitations applicable to the Covered Entity under the regulations except as authorized for management, administrative or legal responsibilities of the Business Associate.

2. Further Disclosure of PHI

The Business Associate shall not use or further disclose PHI other than as permitted or required by this Agreement, or as required by law.

3. Safeguarding PHI

The Business Associate shall use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement.

4. Unauthorized Use or Disclosure of PHI

The Business Associate shall report to the Covered Entity any use or disclosure of the PHI not provided for by this Agreement or otherwise in violation of the Privacy Rule.

5. Agents and Subcontractors of the Business Associate

The Business Associate shall ensure that any agent, including a subcontractor, to which the Business Associate provides PHI received from, or created or received by the Business Associate on behalf of the Covered Entity, shall comply with the same restrictions and conditions that apply through this Agreement to the Business Associate with respect to such information.
6. **Access to PHI**

At the request of the *Covered Entity*, and in the time and manner designated by the *Covered Entity*, the Business Associate shall provide access to PHI in a Designated Record Set to an Individual or the *Covered Entity* to meet the requirements of 45 Code of Federal Regulations section 164.524.

7. **Amendments to Designated Record Sets**

The Business Associate shall make any amendment(s) to PHI in a Designated Record Set that the *Covered Entity* directs or at the request of the Individual, and in the time and manner designated by the *Covered Entity* in accordance with 45 Code of Federal Regulations section 164.526.

8. **Documentation of Uses and Disclosures**

The Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for the *Covered Entity* to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 Code of Federal Regulations section 164.528.

9. **Accounting of Disclosure**

The Business Associate shall provide to the *Covered Entity* or an Individual, in the time and manner designated by the *Covered Entity*, information collected in accordance with 45 Code of Federal Regulations section 164.528, to permit the *Covered Entity* to respond to a request by the Individual for an accounting of disclosures of PHI in accordance with 45 Code of Federal Regulations section 164.528.

10. **Records Available to Covered Entity and Secretary**

The Business Associate shall make available records related to the use, disclosure, and privacy protection of PHI received from the *Covered Entity*, or created or received by the Business Associate on behalf of the *Covered Entity*, to the *Covered Entity* or to the Secretary of the United State Department of Health and Human Services for purposes of investigating or auditing the *Covered Entity*'s compliance with the privacy requirements, in the time and manner designated by the *Covered Entity* or the Secretary.

11. **Destruction of PHI**

Upon termination of this Agreement for any reason, the Business Associate shall:

   a) Return all PHI received from the *Covered Entity*, or created or received by the Business Associate on behalf of the *Covered Entity* required to be retained by the Privacy Rule, except that Business Associate may keep PHI necessary to fulfill its obligations as the Emergency Medical Services Agency for the County of Santa Cruz; or
b) Return or destroy all other PHI received from the Covered Entity, or created or received by the Business Associate on behalf of the Covered Entity.

This provision shall apply to PHI in possession of subcontractors or agents of the Business Associate. The Business Associate’s agents or subcontractors shall retain no copies of the PHI.

In the event the Business Associate determines that returning or destroying the PHI is not feasible, the Business Associate shall provide the Covered Entity notification of the conditions that make return or destruction not feasible. If the Covered Entity agrees that the return of the PHI is not feasible, the Business Associate shall extend the protections of this Agreement to such PHI and limit further use and disclosures of such PHI for so long as the Business Associate, or any of its agents or subcontractors, maintains such PHI.

12. Amendments to Agreement

The Parties agree to take such action as is necessary to amend this Agreement as necessary for the Covered Entity to comply with the requirements of the Privacy Rule and its implementing regulations.

13. Mitigation of Disallowed Uses and Disclosures

The Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by the Business Associate in violation of the requirements of this Agreement or the Privacy Rule.

14. Data Aggregation

The Business Associate may provide data aggregation services related to the health care operation of the Covered Entity.

15. Termination of Contracts

The Covered Entity shall terminate this contract upon knowledge of a material breach by the Business Associate of which the Business Associate fails to cure.
COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors
   County Administrative Office
   Auditor Controller

FROM: Health Services Agency (Department)

BY: An (Signature) 12/3/04 (Date)

AGREEMENT TYPE (Check One)

Expenditure Agreement X Revenue Agreement

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Public Health (Department/Agency) and AMR West, 116 Hubbard St., Santa Cruz, CA 95060 (Name/Address)

2. The agreement will provide excess ambulance revenue trust funds to offset increase cost of dispatch fees.

3. Period of the agreement is from September 1, 2003 to August 31, 2008.

4. Anticipated Cost is $36,126 through 6/30/05

   □ Fixed  □ Monthly Rate  □ Annual Rate X Not to Exceed

Remarks: Auditor - Encumber $36,126 in 362010/3651

5. Detail: X On Continuing Agreements List for FY 04 - 05 Page CC- 8 Contract, No: 0127 OR □ 1st Time Agreement

   □ Section II No Board letter required, will be listed under Item 8
   X Section III Board letter required
   □ Section IV Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in 362010 (Index) 3651 (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize

Health Services Agency Director (Dept/Agency Head) to execute on behalf of the

Health Services Agency (Department/Agency)

Date: By: County Administrative Office

Distribution:
Board of Supervisors - White
Auditor Controller - Canary
Auditor-Controller - Pink
Department - Gold
ADM - 29 (8/01)
Title I, Section 300 Proc Man

By: Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

CO Document No. JE Amount Lines H/TL Keyed By Date

TC110 Auditor Description $ Amount Index Sub object User Code
FURTHER AGREEMENT FOR EXPENDITURE OF EXCESS REVENUES
DERIVED FROM EMERGENCY MEDICAL SERVICES PROVIDER
AGREEMENT FOR EMERGENCY AMBULANCE
ADVANCED LIFE SUPPORT SERVICES
BETWEEN
THE COUNTY OF SANTA CRUZ
AND
AMERICAN MEDICAL RESPONSE WEST,
A CALIFORNIA CORPORATION AND
A SUBSIDIARY OF AMERICAN MEDICAL RESPONSE, INC.
REVISED SEPTEMBER 11, 2001 WITH AMENDMENTS

INTENT
WHEREAS, County and Contractor have entered into that certain agreement entitled Second Amended Emergency Medical Services Provider Agreement for Emergency Ambulance Advanced Life Support Transport Services Between The County of Santa Cruz And American Medical Response West, A California Corporation, and a subsidiary of American Medical Response, Inc., as Revised September 11, 2001; and
WHEREAS, the County and Contractor also desire, in accordance with the terms of the aforementioned agreement, to expend accumulated Excess Revenues for legally permissible purposes which benefit the Contractor, the County, and its patients; and
WHEREAS, improving the quality, efficiency, and cost-effectiveness of the EMS/ambulance system will benefit County citizens; and
WHEREAS, the County believes it is mutually desirable and for the general public interest, convenience, and welfare that the entire area of the County of Santa Cruz receive prompt, clinically excellent, and efficient advanced life support services; and
WHEREAS, the parties agree to make a further disbursement of Excess Revenues as set forth in this herein.
NOW, THEREFORE, THE PARTIES HEREON AGREE AS FOLLOWS:

A. Use of Excess Revenues.

The parties agree to an expenditure of excess revenues in addition to those authorized by the contract signed on June 24, 2003 under the authority of Part Six, Paragraph A (5)(c)(i) of the Second Amended Emergency Medical Services Provider Agreement for Emergency Ambulance Advanced Life Support Transport Services Between The County of Santa Cruz And American Medical Response West, A California Corporation and a Subsidiary of American Medical Response, Inc., as Revised September 11, 2001, and as amended, in the following manner and amount:

1. Expenditures to American Medical Response West to partially offset the increased cost of dispatch services paid to Santa Cruz Consolidated Emergency Communications Center (SCCECC) at approximately $36,126 for the period of July 1, 2004 to June 30, 2005.

B. Use of Remaining Excess Revenues.

Excess Revenues remaining in the Santa Cruz Excess Revenues Account shall be expended as the parties shall agree in writing.

IN WITNESS WHEREOF, the parties have executed this Agreement on dates indicated below.

For the County of Santa Cruz

For American Medical Response West

[Signatures]

Date: [Signature Date]

Date: 12/22/04

APPROVED AS TO FORM:

[County Counsel Signature]

Date: 11/8/04
COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

TO:  Board of Supervisors
     County Administrative Office
     Auditor Controller

FROM:  Health Services Agency

BY:  ____________________________ (Signature) 3/13/93 (Date)

Signature certifies that appropriations/revenues are available

AGREEMENT TYPE (Check One)

Expenditure Agreement [ ]  Revenue Agreement [ ]

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the ____________________________ (Department/Agency)
   and ____________________________ (Name/Address)

2. The agreement will provide ____________________________

3. Period of the agreement is from ____________ to ____________

4. Anticipated Cost is $__________

   Remarks: _______________________________________________________________________

5. Detail: [ ] On Continuing Agreements List for FY 02-03, Page CC-24
   Contract No: 0127

6. Appropriations/Revenues are available and are budgeted in ____________ (Index) ________ (Sub object)

   NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

   Appropriations have been [ ] available and [ ] not [ ] encumbered.
   Appropriations will be [ ] available and [ ] not [ ] encumbered.
   Contract No: 20127

   By: ____________________________ Date: ____________

   Auditor-Controller, Deputy

   Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize

   HSA Director [ ] to execute on behalf of the ____________________________ (Dept/Agency Head)

   Health Services Agency ____________________________ (Department/Agency)

   Date: 3-07-93

   By: ____________________________

   County Administrative Office

Distribution:

Board of Supervisors - White
Auditor Controller - Canary
Auditor-Controller - Pink
Department - Gold

ADM - 29 (8/01)
Title I, Section 300 Proc Man

AUDITOR-CONTROLLER USE ONLY

CO $ JE Amount Lines H/TL Keyed By Date

TC110 $ ____________ Index Sub object User Code
SECOND AMENDED EMERGENCY MEDICAL SERVICES PROVIDER
AGREEMENT FOR EMERGENCY AMBULANCE
ADVANCED LIFE SUPPORT TRANSPORT SERVICES
BETWEEN
THE COUNTY OF SANTA CRUZ
AND
AMERICAN MEDICAL RESPONSE WEST,
A CALIFORNIA CORPORATION AND
A SUBSIDIARY OF AMERICAN MEDICAL RESPONSE, INC.

REVISED MARCH 11, 2003

This Agreement is entered into by and between the COUNTY OF SANTA CRUZ, a political subdivision of the State of California, hereinafter called County and AMERICAN MEDICAL RESPONSE WEST, a California Corporation, and a subsidiary of AMERICAN MEDICAL RESPONSE, INC. hereinafter referred to as Contractor.

PART ONE

INTENT

WHEREAS, it is recognized that an effective emergency medical services program in part is based upon: population density, a reliable system of ready response based on an agreed upon minimum level of effort by Contractor, and rigorous Advanced Life Support (ALS) response standards; and

WHEREAS, the County desires, in accordance with the exercise of its general police powers, to assure Advanced Life Support emergency ambulance service for all ill or injured persons; and

WHEREAS, the County believes it is mutually desirable and for the general public interest, convenience, and welfare that the entire area of the County of Santa Cruz receive prompt, and efficient ambulance service;

WHEREAS, the County desires to maintain a contractual agreement with a paramedic transport provider service that reflects a determined method of service accountability by setting a baseline number of ambulance units to be deployed by Contractor, establishing minimum EMT-P staffing for each unit and assuring changes in deployment be approved prior to implementation; and

WHEREAS, the County has determined that the level of service prescribed herein is the most appropriate and efficient manner of exercising authority contained in Welfare & Institutions Code 17000, Health & Safety Code Section 1797, et. seq., and Title 22 of the California Code of Regulations; and

WHEREAS, the County desires to be assured that the Contractor maintains rigorous response time standards countywide throughout the term of this Agreement by monitoring the Contractor's performance to response standards on a regular basis; and
b. Waiver of Annual Cost of Living Rate Increase. In any year when the Contractor’s Year-End Reconciliation shows Excess Revenues to be greater than ten (10) percent of the system’s net/net revenues, then all requests for Cost of Living increase must be approved in advance by the Board, with the Board having the express discretion to deny all Cost of Living adjustment for that year. Should the Contractor have already applied an automatic inflation rate increase to Contractor’s approved charges for a Contract Year prior to submittal of the Contract Year End Reconciliation as provided herein, then such increased charges will be rolled back to the previous year’s approved charges until a determination is made by the Board.

c. Additional Rate Increases. Contractor may request an additional annual increase to Contractor’s charge per transport pursuant to Subsection (A)(5)(c) of this Part, should the Contractor show that the current County authorized rate (plus annual increases in charges as a result of Cost of Living adjustment) will not be sufficient to meet the revenue requirements as estimated by Contractor’s approved Santa Cruz Operations Budget for the following year.

d. Medicare Fee Schedule Mitigation Rate Increase. County, at County’s sole discretion and with the advance approval of the Board of Supervisors, may approve a Rate Increase in response to notice and written documentation provided by Contractor of a Medicare Fee Schedule revenue decrease which requires mitigation to produce the operational revenues necessary to support system expenses. Contractor will make all requests for a Medicare Fee Schedule Rate Increase to the HSA Administrator. The HSA Administrator will respond to Contractor’s request within sixty (60) days.

B. Fiscal/Financial Responsibilities of Parties Under this Agreement.

1. Responsibilities of Contractor. Contractor agrees to provide all ALS response and ALS transport services described herein in conformance with all specified terms and conditions. Further, Contractor agrees to provide the following services:

a. Field Services. Contractor agrees to provide all ALS response and ALS transport field services as specified in this Agreement to include the following.

1. Field Personnel. The provision of EMT-P labor (including salary, worker’s compensation insurance, all applicable state and federal taxes, and benefits) to staff Ambulance units in accord with minimum system levels required under this Agreement to include full-time and part-time employees, Field Training Officers, and Quality Assurance. Employee benefits will be defined as those agreed to by Contractor in Contractor’s agreement with Healthcare Workers Union Local 250 SEIU, AFL-CIO effective October 12, 1996 through June 30, 2001 and any subsequent labor agreements entered into by the Contractor and the Contractor’s employees authorized union representative.
4. Exhibit "D" entitled "Report Formats".

5. Exhibit "E" entitled "AMR Santa Cruz County Operations 97/98 Budget Final Draft".

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT THE DAY AND YEAR BELOW WRITTEN.

Lou Meyer, Chief Executive Officer
American Medical Response West

Rama Khalsa
Health Services Agency Administrator
County of Santa Cruz

Approved as to form:

[Signature]
Assistant County Counsel
COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors
   County Administrative Office
   Auditor Controller
FROM: Health Services Agency (Department)
BY: __________________________ (Signature) 6/10/03 (Date)

Signature certifies that appropriations/revenues are available

AGREEMENT TYPE (Check One) Expenditure Agreement [ ] Revenue Agreement [ ]

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the _________________ (Department/Agency) and _____________ (Name/Address)

2. The agreement will provide _______ expenditures from the Excess Revenue Fund _______

3. Period of the agreement is from _______________ to _______________

4. Anticipated Cost is $ _______ [ ] Fixed [ ] Monthly Rate [ ] Annual Rate [ ] Not to Exceed [ ]

Remarks: No Percent Change Needed

5. Detail: [ ] On Continuing Agreements List for FY 02 - 03. Page CC-24 Contract No: 0127 OR [ ] 1st Time Agreement
   [ ] No Board letter required, will be listed under Item B
   [ ] Board letter required Amendment
   [ ] Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in ______ (Index) MA _______ (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Auditor Description Amount Encumbered Sub object User Code

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize

Health Services Agency (Dept/Agency Head) to execute on behalf of the Board of Supervisors

Date: ___________ By: __________________________

County Administrative Office

Distribution:
Board of Supervisors - White
Auditor Controller - Canary
Auditor-Controller - Pink
Department - Gold

State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Office by an order duly entered in the minutes of said Board on 6/10/03

By: Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

Document No. JE Amount Lines H/TL Keyed By Date

TC110 ______ $ ________ _______ _______ _______ _______
AGREEMENT FOR EXPENDITURE OF EXCESS REVENUES
DERIVED FROM EMERGENCY MEDICAL SERVICES PROVIDER
AGREEMENT FOR EMERGENCY AMBULANCE
ADVANCED LIFE SUPPORT SERVICES
BETWEEN
THE COUNTY OF SANTA CRUZ
AND
AMERICAN MEDICAL RESPONSE WEST,
A CALIFORNIA CORPORATION AND
A SUBSIDIARY OF AMERICAN MEDICAL RESPONSE, INC.

REVISED SEPTEMBER 11, 2001 WITH AMENDMENTS

This Agreement is entered into by and between the COUNTY OF SANTA CRUZ, a political subdivision of the State of California, hereinafter called County and AMERICAN MEDICAL RESPONSE WEST, a California Corporation, and a subsidiary of AMERICAN MEDICAL RESPONSE, INC. hereinafter referred to as Contractor.

INTENT

WHEREAS, County and Contractor have entered into that certain agreement entitled Second Amended Emergency Medical Services Provider Agreement for Emergency Ambulance Advanced Life Support Transport Services Between The County of Santa Cruz And American Medical Response West, A California Corporation And A Subsidiary of American Medical Response, Inc., as Revised September 11, 2001; and

WHEREAS, County and Contractor wish to amend the aforementioned agreement to continue certain provisions in full force and effect subsequent to the expiration or termination of the agreement; and

WHEREAS, the County and Contractor also desire, in accordance with the terms of the aforementioned agreement, to expend accumulated Excess Revenues for legally permissible purposes which benefit the Contractor, the County, and its patients; and

WHEREAS, improving the quality, efficiency, and cost-effectiveness of the EMS/ambulance system will benefit County citizens; and

WHEREAS, the County believes it is mutually desirable and for the general public interest, convenience, and welfare that the entire area of the County of Santa Cruz receive prompt, clinically excellent, and efficient advanced life support services; and
NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

A. Continuation of Certain Provisions of the Second Amended Emergency Medical Services Provider Agreement.

The parties further agree to amend the Agreement by adding Paragraph F to Part Six to read as follows:

The provisions of Part Six, Paragraphs A (1) through A (5), A (7), C, D and E shall remain in full force and effect after the termination or expiration of this Agreement in order to conclude the fiscal audits and Year-End Reconciliation by the County Auditor-Controller and the determination of any Excess Revenues and the required deposit into and the expenditure from the Santa Cruz Excess Revenue Reserve Account.

B. Use of Excess Revenues.

The parties hereby agree under the authority of Part Six, Paragraph A (5)(c)(i) of the Second Amended Emergency Medical Services Provider Agreement for Emergency Ambulance Advanced Life Support Transport Services Between The County of Santa Cruz And American Medical Response West, A California Corporation and a Subsidiary of American Medical Response, Inc., as Revised September 11, 2001, and as amended, to expend sums from the Santa Cruz Excess Revenue Reserve Account in the following manner and amounts:

1. Program expenditures to develop and maintain the County electronic Patient Care Record system costing approximately $128,000 that shall benefit all prehospital provider agencies throughout the County.

2. Supporting the clinical protocol effort to update and maintain policies and procedures in the sum of $11,000.

3. Training equipment as set forth below that shall be the property of the County and shall be made equally available to AMR and the Emergency Medical Services Integration Authority (EMSIA) for training purposes, housed in an area equally accessible to AMR and EMSIA, and utilized according to a schedule allotting approximately 50% of the time to AMR and EMSIA. Joint training activity shall be given schedule preference.

<table>
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<th>ALS Mannequins</th>
<th></th>
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<tbody>
<tr>
<td>12 Adult</td>
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<tr>
<td>4 Pediatric</td>
<td>8,000</td>
</tr>
<tr>
<td>2 Infant</td>
<td>2,000</td>
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<td>Digital Projector</td>
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<tr>
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<td>Item</td>
<td>Cost</td>
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<td>----------------------------------------------------------------------</td>
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<tr>
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<tr>
<td>Moulage Kits</td>
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<tr>
<td>Trailer</td>
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<td>Total</td>
<td>75,000</td>
</tr>
</tbody>
</table>

4. Data recording equipment at a cost not to exceed $85,000 to benefit the EMS System that shall be the property of the County and shall be managed in cooperation with the Santa Cruz Consolidated Emergency Communication Center (SCCECC, known as Netcom).

5. Programs to enhance Emergency Medical Technician (EMT-1) training for advanced airway techniques and medication administration as approved by the EMS Medical Director costing approximately $50,000 to be offered equally to all first responder agencies throughout the County who have EMT personnel.

6. Patient care equipment, consisting primarily of defibrillators, costing approximately $30,000 that shall be the property of the County and distributed to prehospital provider agencies based on demonstrated need.

C. Use of Remaining Excess Revenues.

Excess Revenues remaining in the Santa Cruz Excess Revenues Account shall be expended as the parties shall agree in writing.
IN WITNESS WHEREOF, the parties have executed this Agreement on dates indicated below.

For the County of Santa Cruz

Rama Khalsa, Ph.D.
HSA Administrator

Date: 6/26/03

APPROVED AS TO FORM:

County Counsel 6-3-03

For American Medical Response West

Louis K. Meyer
CEO, Northern Pacific Region

Date: 6-2-03
COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors
    County Administrative Office
    Auditor-Controller

FROM: Health Services Agency

BY: [Signature] 11/27/2002

AGREEMENT TYPE (Check One)

Expenditure Agreement [ ]  Revenue Agreement [X]

Signature certifies that appropriations/revenues are available

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Administration

   and American Medical Response West, 7575 Southfront, Livermore, CA 94551

2. The agreement will provide Ambulance service in Santa Cruz County

3. Period of the agreement is from December 1, 1997 to August 31, 2003

4. Anticipated Cost is $ NA

   □ Fixed □ Monthly Rate □ Annual Rate □ Not to Exceed

   Remarks: Amendment extends end date up to October 31, 2003

5. Detail: □ On Continuing Agreements List for FY 02-03, Page CC-24
       □ Contract No: 0127 OR □ 1st Time Agreement

       □ Section II No Board letter required, will be listed under Item B
       □ Section III Board letter required
       □ Section IV Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in NA

   (Index) NA (Sub subject)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Appropriations are [ ] have been [ ] are not [ ] will be [X] encumbered.

Contract No: 20127

By: [Signature] 11/27/2002

Auditor-Controller Deputy

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize

HSA Director (Dept/Agency Head) to execute on behalf of the Health Services Agency

(date)

By: (Signature)

County Administrative Office

Distribution:

Board of Supervisors - White
Auditor Controller - Canary
Auditor-Controller - Pink
Department - Gold

ADM - 29 (8/01)
Title I, Section 300 Proc Man

By: Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

Document No. JE Amount Lines H/TL Keyed By Date

Auditor Description Amount Index Sub object User Code
This Agreement is entered into by and between the COUNTY OF SANTA CRUZ, a political subdivision of the State of California, hereinafter called COUNTY, and AMERICAN MEDICAL RESPONSE WEST, a California Corporation and a subsidiary of AMERICAN MEDICAL RESPONSE, INC. hereinafter referred to as CONTRACTOR.

WHEREAS, COUNTY and CONTRACTOR have entered into good faith negotiations following a competitive procurement process; and,

WHEREAS, COUNTY believes it is desirable for the general public interest and welfare to assure a minimum six month transition period for providers of emergency ambulance advanced life support transport services; and,


NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

If a negotiated contract for emergency ambulance advanced life support transport services has not been agreed to by COUNTY and CONTRACTOR, and signed by CONTRACTOR, by January 7, 2003, then for every day following January 7, 2003, the Second Amended Contract, dated Sept. 11, 2001, shall be extended by one day. Under no circumstances shall the Second Amended Contract, dated September 11, 2001, be extended beyond October 31, 2003, unless AMR and the County of Santa Cruz mutually agree to do so.
All other terms and conditions of the Second Amended Contract, dated Sept. 11, 2001, shall remain in full force and effect.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT THE DAY AND YEAR BELOW WRITTEN.

Lou Meyer, Chief Executive Officer
American Medical Response West

Rama Khalsa
Health Services Agency
Administrator County of Santa Cruz

Approved as to form

Administrator County Counsel