

Collier County Emergency Medical Authority
8075 Lely Cultural Parkway, Suite 267
Naples, Florida 34113

April 12, 2018

Marco Island City Council
50 Bald Eagle Drive
Marco Island, FL 34145

Re: Certificate of Public Convenience and Necessity (COPCN)
Marco Island Fire Rescue Department
Class 1 – ALS Transport

Dear City Council Members,

The Collier County Board of County Commissioners (BCC) has charged the Collier County Emergency Medical Authority (EMA), by Ordinance 2016-44, with the responsibility of evaluating all Certificate of Public Convenience and Necessity (COPCN) applications. As part of our review, we have developed a list of questions based on Collier County Ordinance No. 04-12 that establishes the requirements for Collier County Board approval of a COPCN.

We would appreciate a response in writing by April 26th to these questions and the questions submitted by County staff on February 6th. The EMA would like to conduct a hearing with your representatives on May 1st at 9:00 am at 3299 Tamiami Trail E, Bldg. F, 5th floor Training Room to discuss the COPCN application. Then we will prepare our recommendation, with supporting justification, for the BCC prior to consideration of your application at their May 22nd meeting.

Respectfully yours,
The Collier County Emergency Medical Authority



Edwin S. Fryer, Chairman

Attachment

cc: Collier County Commissioners
Chief Michael Murphy

Emergency Medical Authority (EMA) Questions

EMA questions are keyed to Collier County Ordinance No. 04-12, which states: "The Board of County Commissioners shall not grant a certificate unless it shall find, after public hearings and based on competent evidence that each of the following standards has been met:"

Standard 1. That there is a public necessity for the service.

1.a. The extent to which the proposed service is needed to improve the overall emergency medical services (EMS) capabilities of the County.

(1). The response times, both annually and during season, show that, at the current staffing level, Marco Island zone 50 has the second-best ambulance response times in all of Collier County. The county goal, for the urban area, is for travel time to be "8 minutes or less, 90% of the time" and Marco Island has exceeded that goal for years. The County's Administrative Services Department Head has stated that 'adding a second ambulance will not increase service levels.'

What 'need' will be attained by providing your own, separate ambulance transport? What higher level of service results do you expect to achieve and how will they be measured? How will Home Rule improve the level of service?

(2). Marco Island Fire Department (MIFD) could improve ". . . the overall emergency medical services (EMS) capabilities of the county . . ." by reducing Basic Life Support (BLS) response times. MIFD is responsible, under the National Fire Prevention Association (NFPA) 1710 Standards, for BLS with a recommended response time of 4 minutes. That goal is not being met. Medical Journals have emphasized the importance of BLS and the 4-minute response time in saving lives, stating that it is more important than responding with Advanced Life Support (ALS) in 8 minutes.

Which 'need' - ALS or BLS -- do you think requires more improvement on Marco Island? Which do you think is more important to Marco Islanders? How will you improve BLS response times, if your concentration is on operating the ambulance transport service and keeping sufficient ALS units on the island?

1.b. The effect of the proposed service on existing services with respect to quality of service and cost of service.

(1). Collier County currently provides a homogeneous EMS system with consistent protocols, training, and quality assurance evaluation. It easily shifts assets throughout the county as workload changes, with units moving to back up areas as needed. Marco

Island is a major beneficiary of this system as support from other zones moves to Marco daily. Do you think your COPCN, that would disrupt this homogeneous system, is in the best interests of the County as a whole?

(2). This proposed change to the existing service has both quality of service and cost of service implications for Marco Islanders. The current quality of service is excellent, with respect to response times and your own excellent customer service response survey results - that was based on service to Marco residents under the current CCEMS system. CCEMS has not received any complaints from Marco Island. Have you received any complaints on CCEMS services from your residents?

How can you be sure the quality of service won't be worse under your proposed system? Will the 12 new paramedics be as well-trained and have the same level of experience as current paramedics serving Marco? Will your new paramedics have the knowledge, experience, shared common medical direction, training and treatment protocols that your current paramedics have? Or will Marco residents experience a drop in quality of service with the new paramedics?

(3). The cost of your new medical transport service will, by your estimates, add over \$1.1 million annually to the costs paid by Marco taxpayers. They will pay taxes to Collier County and no longer receive the same services they praised in the recent survey.

What will the benefits be for this additional cost? Has there been a cost/benefit analysis to determine if the identified benefits are worth the additional cost? Should there be such an analysis to demonstrate to Marco citizens that there is an essential need and the additional costs are required?

1.c. The effect of the proposed service on the overall cost of EMS service in the county.

(1). The Fitch Report implies that Marco Island intends to seek the reduction or possible elimination of the portion of County ad valorem taxes collected for the provision of EMS services, citing the case of Alsdorf v. Broward County, 373 So. 695 (1979).

Is it your contention that Marco Island would no longer receive a "real and substantial benefit" from Collier County EMS (CCEMS) if it had its own COPCN for ALS transport? Will you seek a reduction of taxes paid to Collier County for EMS?

(2). The effect on the overall cost of CCEMS service will be determined by the new relationship between the county and Marco in responding to EMS calls.

Please describe in detail what relationship Marco Island would seek with CCEMS, such as mutual aid, automatic mutual aid, closest unit response, move-ups, training, etc. If a mutual aid agreement between Collier County and Marco Island is anticipated,

would it provide equal or roughly equal benefit to both jurisdictions? If so, please provide statistics supporting that contention.

(3). MIFD expects that, in the future, they would collect \$952,427 in ambulance transport revenue. This is revenue that CCEMS would no longer collect, producing a negative financial impact on CCEMS.

(4). Will you still rely on CCEMS air ambulance helicopter transport to take patients to area trauma centers? Will you pay CCEMS for that service?

1.d. The effect of the proposed service on existing hospitals and other healthcare facilities.

There is no apparent effect on existing hospitals and other healthcare facilities.

1.e. The effect of the proposed service on personnel of existing services and the availability of sufficient qualified personnel in the local area to adequately staff all existing services.

(1). Assume CCEMS retains the ambulances currently assigned to Marco and reassigns them, with their paramedics, to other zones.

Where will you get your new paramedics? If you attempt to hire CCEMS highly-trained and experienced medics, there will be a loss to CCEMS that could harm the advanced life support service to other county residents. It would appear that you intend to try to hire CCEMS paramedics, since your current hiring postings say that paramedics with current Collier County credentials are preferred. Is this correct?

(2). If your paramedics aren't hired from the County, how will you insure that you have knowledgeable and experienced paramedics - up to the current standards that Marco Islanders currently have and expect? Where will you find them?

(3). Most of your current non-transport ALS-credentialed paramedics are less trained than CCEMS trained transport paramedics. They aren't trained in the additional medications used during transport and have not graduated from the 4-week Collier County Training Academy, completed a six-month Field Training Officer oversight program, passed a peer review board examination and been cleared by Dr. Tober after a final one-on-one review. Only then can a CCEMS paramedic operate independently.

How will you accomplish this level of training, experience and review for your current paramedics as well as training your newly hired ones from the ground up on all

Collier County ALS functions? How will you ensure that your ambulances are not staffed by 2 inexperienced paramedics?

(4). To have sufficiently qualified personnel, training will be an essential function. With upgrading the training for your current paramedics, and adding at least 12 new ones, why haven't you included an additional training officer in your staffing - to ensure that medics receive the highest level of training, comparable to CCEMS? A lot of your current training appears to be on-line courses. How much training will be hands-on?

MIFD's 2013 Insurance Service Office (ISO) evaluation for fire services awarded only 50% of the total available points for Training. If your current level of fire training is not highly rated, how will you ensure that paramedic training is exceptional?

(5). Any paramedics that are not as sufficiently qualified, trained and experienced as CCEMS medics would be a reduction in the current service levels to Marco residents and could result in negative medical outcomes. How will you ensure that the quality of advanced life support (ALS) service to Marco Islanders won't suffer from including Emergency Medical Services under your Home Rule functions?

Standard 2. Applicant's sufficient knowledge and experience to operate the proposed service properly.

a. Who will be your Medical Director? Who will provide medical training and recertification? Will you continue with the CCEMS protocols? Will you provide response time data and medical quality assurance evaluations to CCEMS so the Collier County Board of County Commissioners can continue to over see the health and safety of all Collier County residents and visitors?

b. Your application emphasizes the experience that your former city manager had in operating an integrated fire/EMS service. Does your current interim city manager have the same experience? What if future city managers don't have this experience? CCEMS will always have a deep base of knowledge and experience to operate an ALS service.

Standard 3. That, if applicable, there is an adequate revenue base for the proposed service.

a. Cost Issues.

(1). While Marco has the revenue base, though increased taxes, to finance the proposed service, there are concerns that the estimated cost of the new service (as included in the Fitch Report dated December 2017) is significantly understated.

Estimates were from 2016. Do you have an update for 2018 or 2019 cost estimates?

(2). The Recurring Operational Expenses (page 4 of Fitch Report) appear to be for the 2 new ambulances. Where are the costs to supply the current squad car that will serve as the 3rd ambulance/transport until year 3? Are there capital costs to convert the squad car to a third ambulance? What function is the squad car performing right now? Is this function no longer needed? Or should there be an additional squad car to meet the medical needs?

(3). Maintenance costs are very low at your \$2,000 per year cost for the 2 ambulances. CCEMS estimates that their average cost for repair and maintenance for 2 ambulances was \$25,000 last year. Your total uniform cost of \$7,344 for 12 new people appears very low. CCEMS estimates \$4,000 per person for uniforms, boots, bunker gear, etc., for a total of \$48,000.

Should your estimates be increased? What, if any, of these costs would be covered under your lease agreement? Specific certifications are required to perform maintenance/repair on ambulances. Are your firefighters certified and expected to perform this maintenance? It doesn't show as a separate line item, but do you have insurance for the ambulances?

(4). The ambulance lease is \$33,000 per year per ambulance; however, the chart indicates a 3% APR. Should this chart be revised?

(5). Standard 4 questions (below) include significant cost implications.

b. Billing and Collection Issues:

(1). Who will oversee the billing and collection? Who will obtain the Medicare and Medicaid provider numbers and sign the compliance forms (855 Federal) for the city? What is the timeline for obtaining these provider numbers?

(2). How will Marco Island establish the user transport fees? Will they be determined by City Council and created by a local ordinance? How will they be determined? Will they be based on actual cost or industry examples? How will the billing firm be held accountable? What billing company will you use?

(3). The consultant's report suggests that \$952,427 will be collected in the first year. Does MIFD believe they will be running and billing 100% of the forecasted transports to generate the projected cash collections of \$952,427? Given this is a startup operation, is

there a more realistic dollar amount that will be collected? Marco has a large percentage of Medicare patients and Medicare who pay very little for EMS transport. Has this been considered?

(4). What is the "net/net collection ratio" as compared to the initial gross billings? Does this collection ratio include all contractual adjustments?

(5). Has the consultant produced a 2nd forecast model that would address the threat of the state of Florida eliminating the balance billing issues for ambulance transports? For example, if Florida will not allow you to bill for the remaining balance on a transport bill, after Medicare pays, there will be a substantial reduction in collections. What revenue reduction would you anticipate?

(6). Insurance companies are raising deductibles to \$1,000 and \$1,500 - instead of the current \$300 level. That would make the entire \$800 medical ground transport a self-pay, reducing collections. What is your estimate for that loss in expected revenue?

(7). Cash collection revenues are projected to be the same for the next five years. Is this projection purposely very conservative? Does MIFD have growth projections for run volumes and revenues over the next three years?

c. Taxation Issues.

(1). The City will need to clearly inform the citizens of the newly required and additional taxes to support the system. This presents a challenge in the form of the "double taxation" issue. How will you disseminate the true cost of the referendum to voters?

(2). How would the new tax dollars be earmarked and set aside for MIFD and not be included in the general fund, so these revenues would not be spent on other items?

Standard 4. Proposed service will have sufficient personnel and equipment to cover the proposed service area adequately.

a. Consider sufficient personnel and related costs.

(1). CCEMS estimates that to have 2 positions operational on an ambulance, 24/7/365, it would be necessary to hire 3 people -- to cover their vacation/sick/holiday/Kelly and other days off, plus the need for monthly and annual training days away from the rigs. Using CCEMS experience, you would need to hire 18, not 12 people, just for operational requirements. That would increase costs by over \$600,000 annually.

How can you add 12 operational paramedics and not add any additional staffing to cover all the days off? How many of the 12 people will you allow off per day? Will there be days when you will not be able to have 2 paramedics in the ambulances?

(2). How would you cover the shifts if you don't have enough paramedics to staff the 2 ambulances and the separate staff vehicle? CCEMS maintains a Job Bank of CCEMS trained and certified EMT's to fill in where necessary to provide fully staffed shifts. Will you hire and train Job Bank personnel too? There are additional costs to establishing a Job Bank to ensure additional qualified people are available when needed.

(3). If you don't have enough personnel to fully staff each shift, will you mandate that your paramedics stay on duty for another shift - work a double shift? Your shifts are already 48 hours on duty and 96 hours off duty. That would be 48 hours + 48 hours, or four straight 24-hour days on duty. With fatigue challenges, can you safely extend a 48-hour shift? Would you need to take an ambulance out of service?

4). Why are there no additional people for supervision and training? With all the training requirements discussed earlier and increasing the operational staff by 1/3, why wouldn't you need at least one additional medical training officer and additional supervisors?

MIFD will need to assume a new medical quality assurance function, which takes a lot of time -- to review all procedures performed, determine what medical errors have occurred, determine and implement remediation for the paramedic on major medical errors, etc. Who will perform the quality assurance functions? Will additional personnel be required?

(5). The 2017 Marco Island Staff Organization Climate Survey had some findings that affect fire department staffing. Only 12% thought their fire department was appropriately staffed. Only 26% thought their work area was appropriate to fully perform job duties. Less than 50% of the fire department personnel responding to the survey thought their workload was manageable, saying they needed additional staff, vehicles and stations. Morale was also a problem, with over 50% indicating morale was low or extremely low.

Won't adding an additional major function, like medical transport, to an organization that is already understaffed and having morale problems, only exacerbate these issues in the fire department? Especially if you staff the new medical transport function with an insufficient number of additional personnel? Wouldn't there be a high probability that the current level of ALS care to Marco Islanders would be reduced?

b. Consider sufficient equipment and related costs.

How do you plan to keep the 2 ambulances operational 24/7/365? The plan does not consider ambulance downtime for accidents, normal maintenance, etc. CCEMS has 42 ambulances, with 26 required daily and 16 in standby status. Sometimes all but 2 or 3 ambulances are in use or being repaired.

Don't you think you will need 3 ambulances to have sufficient vehicles to meet the daily operational requirement of 2 ambulances and 1 staff car always available? This would require another \$33,000 in lease costs and related supplies and maintenance annually.

c. Consider ambulance coverage on Marco Island.

(1). Transports and hospital offload time will keep ambulances off the island for extended periods of time. Total time-on-task will increase. A 90-minute turn-around time should be anticipated before an ambulance would be back on the island. How will you cover the Island during these periods? Will you expect CCEMS back-up?

(2). What will you do if both ambulances and the staff vehicle are off the Island at the same time? How often would that happen? Have you experienced 3 or 4 concurrent medical transports from Marco in the past?

d. What happens when you have a fire call? Will the firefighter/paramedics stay with the ambulances, available for the next medical call? Or will everyone respond to the fire call? What happens if a medical call comes in while ambulances are responding to a fire call?