

#14

# Contract for Ambulance Services

Between

**The City of Corsicana, Texas  
And  
Navarro County, Texas**

This Contract and Agreement entered into this 8 day of October, 2021 by and between the City of Corsicana, Texas, (hereinafter referred to as CITY) and Navarro County, Texas (hereinafter referred to as COUNTY). The City of Corsicana and Navarro County are collectively referred to as the "Parties."

NOW, THEREFORE, for and in consideration of the premises and agreements herein contained and other good and valuable consideration, including the award of exclusive market rights (as defined within the "Definitions" section of this Contract) within the boundaries or areas wherein said COUNTY is legally entitled to make such award, the receipt and adequacy of which are hereby forever acknowledged and confessed, the Parties agree as follows:

## **Section I. Definitions**

The following definitions shall apply to terms as used throughout this Contract:

**Agreement** means this Contract.

**ALS** means Advanced Life Support, which is a term used in the State of Texas to define the nature and extent of the equipment, vehicles, and supplies provided and the training and skills of some or all of the personnel assigned to the service unit.

**Ambulance Service Contractor** means the City of Corsicana, Texas.

**ANI/ALI** means Automatic Number Identifier/Automatic Location Identifier which aids in identification of incoming calls.

**Contract Service Area** means the area encompassing the entire geographic area within the boundary of COUNTY and over which COUNTY is legally empowered to exercise franchise powers and local government authority, and may include areas of other participating jurisdictions which may choose to contract with the COUNTY pursuant to a contract incorporating clinical standards and financial provisions consistent with those contained in this Contract and the *System Standard of Care* set forth within this Contract for service within County.

**EMS** is an acronym for Emergency Medical Service or Services.

**EMS Service** means that network of individuals, organizations, facilities and equipment, including but not limited to the CITY, whose combined participation is required to generate a clinically-appropriate, preplanned system-wide response to each request for pre-hospital care, emergency medical and transport services, invalid coach transportation, patient transfers, event and other standbys, and/or interfacility transport, so as to provide each patient a reasonable chance of survival without disability, and to also provide all residents reasonably convenient and accessible availability of non-emergency ambulance transportation.

**Exclusive** as applied and used regarding the provision of services within a local government jurisdiction in the State of Texas means certain rights, responsibilities, and duties granted to one or more providers of public services of a type which the local government might otherwise choose to provide by its own action or effort, but which is found and determined by the local governing body to better and more conveniently meet the needs of the public's necessity and convenience by provision through contractual or franchise agreements with appropriate regulations provided as to pricing, rates, level of service, and/or use of public facilities and infrastructure. Exclusive rights granted within this Contract means rights offered and regulated requiring the use of public facilities and infrastructure upon the determination by the local governing body that said service will be sufficient and most convenient to meet the total or comprehensive needs and necessities for the subject services within one or more geographic areas under the Jurisdiction of the local governing body and for which no finding of convenience or necessity can be made or perfected which might justify additional and reliable alternative providers of the same or similar service within the designated area of the Jurisdiction.

**1<sup>st</sup> Response, 1<sup>st</sup> Responder**, refers to that service and those units (e.g., fire department, emergency rescue, non-paramedic mutual aid, or other similar 1<sup>st</sup> responders) which provide initial stabilization and trained assistance on-scene and, when required, en route to medical facilities, as well as certain extrication and rescue services. In accordance with Priority Dispatch Protocols, a 1<sup>st</sup> response *unit* may be sent to all presumptively classified life-threatening calls within the CITY's service area or the Contract Service Area.

**Fractal Distributions** as applied to EMS response times means responses reported using both minutes and fractions of a minute expressed in seconds without rounding or dropping seconds.

**Medical Director** means that Medical Director selected by the CITY who shall also be a Board Certified emergency physician.

**Mutual Aid** means the ambulance service or emergency response provided within the Contract Service Area by neighboring providers other than the CITY

at the request of the CITY, pursuant to an agreement governing the exchange of service assistance when requested.

**Participating Jurisdiction** means any political subdivision or municipality within COUNTY, which enters into an Ambulance or Emergency Medical Service Contract with the CITY, whether independently or as a party to a multi-jurisdictional contract or interlocal agreement, when said contract with the CITY incorporates clinical standards and financial provisions consistent with the *System Standard of Care* set forth in this Contract.

**System Standard of Care** means the combined compilation of all priority dispatching protocols, pre-arrival instruction protocols, protocols for selecting designated hospital, standards for certification of pre-hospital care personnel, as well as standards governing requirements for onboard medical equipment and supplies, and licensure of ambulance services and 1<sup>st</sup> responder agencies.

## **Section II. Contract Overview**

The objectives of this Ambulance (EMS) Service Contract include but are not limited to the following:

- A. To ensure, with the necessity of a public subsidy, continuous availability of clinically supervised and financially stable ambulance services throughout the COUNTY, which service shall, in addition to all other requirements specified herein, meet the following criteria:
  - 1. All 911 and 10-digit callers shall have direct referred contact with COUNTY dispatch center personnel;
  - 2. Generate an ambulance response to every request for service, 911 or otherwise;
  - 3. **Provide ambulance transportation service to patients requesting transport to or from a medical facility, hospital, or similar care giving location within the COUNTY or from or to such facilities located outside the COUNTY and generally approved as to types of points of destination or origination within limitations set forth within the *System Standard of Care*, without regard to ability to pay, without resorting to hand-offs of patients to less capable crews, and without requesting or accepting payment at the time of services.**
- B. To provide incentives for cost containment and performance in excess of the Contract requirements.

- C. To ensure a safe and orderly transition of providers of EMS services in the event the CITY ceases to provide that service for any reason.
- D. To serve as a model agreement for adaptation, separate approval, or multi-jurisdictional adoption by Participating Jurisdictions.

### **Section III. Overview of Roles and Responsibilities**

The COUNTY shall recognize the Medical Director as defined in **Section I** of this Contract and empower that Medical Director to establish and periodically update the patient standard of care protocols, which govern system performance under both this Contract and applicable regulations.

The CITY shall serve as the exclusive (as defined within the **Definitions** section of this Contract) Ambulance and EMS service contractor for the unincorporated areas of the COUNTY.

**Term.** The initial term of this Contract will begin on October 1, 2021 and shall continue until October 1 of each subsequent year. The Contract shall automatically renew unless written notice of intent to terminate the Contract is received from either party on or before July 15<sup>th</sup> of the year, the Contract is to be terminated. In the event such notice is given, the Contract shall terminate on October 1 of the year such notice is given. The renewal of this Contract from one year to the next is contingent upon the parties' respective governing board appropriating and making available funding in the amount sufficient to honor and carry out the respective obligations hereunder. In the event a party fails to appropriate funding sufficient to carry out the obligations hereunder, this Contract shall terminate on the first day of the fiscal year of which such appropriation does not occur.

### **Section IV. Mutual Responsibilities and Understandings**

- A. **Business Volume not guaranteed.** COUNTY makes no representations, estimates, or predictions regarding the frequency of emergency medical requests which may originate within COUNTY or Participating Jurisdictions during the term of this Contract, or the percentage of such requests which may result in patient transport, or the volume of non-emergency ambulance requests which the CITY may receive.
- B. **Professional Conduct/Courteous Service.** CITY ambulance personnel, control center personnel, patient account managers shall conduct themselves in a professional and courteous manner at all times in the provision of services as is contemplated under this Contract.

The CITY shall address and correct any departure from this standard of conduct.

- C. Use Own Expertise and Judgment.** The CITY shall be entitled to use its own reasonable judgment in deciding how to carry out its obligations under the Agreement, including the methods to be employed to achieve and maintain the levels of performance required by this Agreement. Such "methods" include compensation programs, shift schedules, personnel policies, supervisory structures, vehicle deployment techniques, and other internal matters which, taken together, comprise the CITY's own strategies and tactics for performance under the terms of this Contract. By allowing the CITY to select, employ and change its production methods and levels of effort without COUNTY's attempt to establish methodologies for the prosecution of the CITY's work and by refraining from dictating specific levels of effort, COUNTY intends to allow the CITY to promote innovation, efficiency and superior levels of performance while placing upon the CITY the responsibility of developing and maintaining the means by which it will maintain compliance with its obligations under the terms and conditions of this Contract. The Parties hereto agree that the COUNTY does not and shall not have the ability or responsibility to exercise control over the CITY's employees as they perform the CITY's obligations and duties under this Agreement.
- D. Limits of Exclusivity.** The COUNTY agrees to not enter into another contract while this contract is in affect for the provision of ambulance services, including emergency medical transportation, pre-hospital medical care, invalid coach service, patient transfers between medical and care giving destinations, and/or special events coverage and stand bys, originating within the area controlled by COUNTY.
- E. Assignment.** In the event the CITY desires to assign this Contract to a third party, the CITY will give the COUNTY ninety (90) days written notice of such assignment prior to the effective date of the assignment of this Contract. Any assignment agreement entered into by the CITY shall require the assignee to honor all of the obligations and duties of the CITY as are set forth herein. Upon receipt of the notice of assignment, the COUNTY may approve the assignment of the Contract by the CITY, or alternatively may provide notice to the CITY of intent to terminate this Contract the end of the ninety (90) day notice period. The COUNTY's right to terminate under this provision is separate and independent of the right to terminate as set forth elsewhere in this Contract.

## **Section V. Scope and Quality of Services**

- A. Clinical Standards and Quality Improvement.** The standard of clinical quality as set forth in the protocols adopted by the Medical Director and City EMS officers, as well as any clinical upgrade schedules to occur shall constitute contractually binding performance requirements under this contract.
- B. Response Time Reliability.** The response time requirements set forth in this Contract shall constitute binding performance requirements. In this regard the following definitions and protocols shall be employed for purposes of response time measurement, compliance and reporting.
1. **Definition.** Response time is herein defined as the elapsed time between the moment a request for ambulance service is received at the CITY Fire Department (i.e., the moment location and, when available a call back number, is determined, either by voice, by ANI/ALI 911 data transmission, or by public safety radio transmission) and the moment a first arriving fully equipped and staffed CITY EMS unit, Mutual-Aid unit, or a capable support medical helicopter arrives at the scene; provided that in order to "stop the clock", such first arriving unit be operated by the CITY or by an approved mutual-aid unit. For scheduled patient transfers, "time call received" shall be the agreed upon appointment time for patient pick-up. For unscheduled patient transfers (requesting response with less than 24-hour notice), the requested appointment time as negotiated by the CITY and the requesting party shall be used as "time call received."
  2. **Use of Mutual Aid Providers.** Subject to a finding of the Medical Director that the clinical quality of care provided by a proposed mutual aid provider, or medically capable helicopter transport is deemed substantially equivalent to the quality of care required under this Contract, such units operated by mutual aid providers responding at the CITY's request to locations within the area controlled by the COUNTY which is party to this Contract shall be deemed to "stop the Clock" on behalf of the CITY. The City shall use reasonable efforts to maintain a sufficient network of mutual aid providers to provide EMS services to the Contract Service Area at times when City ambulance resources are strained or unavailable.
  3. **Methods of Measurement.** Response time standards shall be established and response time performance shall be measured in

terms of "fractal distributions" - not average response time measurements. All response times shall be recorded by the CITY for services provided hereunder.

4. **Call Classification.** For purposes of response time measurement, the applicable standard shall be based on each request's presumptive run code classification to be included as protocols approved by the Medical Director.

5. **Response Times.** Response times are a combination of dispatch operations and field operations. The Parties agree that the CITY shall have discretion to decide the methods of providing 911 EMS Services under this Agreement; however, the Parties shall meet and confer quarterly to review the schedule of response times to ensure the services contemplated by this Contract are being provided to the COUNTY residents in a timely manner if requested by the COUNTY.

a. **Call Classification.** COUNTY shall be primarily responsible for identifying and routing all 911 EMS classified calls within the Service Area covered by this Contract.

b. **Calculation of Response Times.** Except for responses which occur during periods of severe weather or during declared disasters (which are not to be included when calculating response times), EMS response times shall be calculated as follows: The time the call is dispatched shall be the second the CITY Fire Department is actually notified of the request. This is subtracted from the arrival time. (For all classifications of requests for services, the time "arrival on scene" shall be the time a fully equipped transport capable ambulance unit arrives at the location of the request for service. Arrival at the location of the request for service means the second the CITY unit notifies the communications center that it is on scene). The parties agree and understand that there may be certain isolated instances which prevent the CITY from meeting stated response times.

C. **Customer Service.** The CITY shall maintain a high standard of Customer Service for dealing with all Patients and shall abide by all medical protocols established by the Medical Director, as such may be updated from time to time. The COUNTY may, through the Fire Chief or City Manager, request an investigation of any complaint of services provided by the CITY, pursuant to this CONTRACT. In such event, the Parties

shall promptly meet and confer on such matters. The COUNTY may appoint a member to the Quality Assurance Team, consisting of the Fire Chief, the Medical Director and the EMS Coordinator, to investigate the complaint. The CITY being responsible for taking such actions as agreed upon by the Team to address such complaints or concerns.

- D. Records.** The CITY shall prepare and maintain full and complete records of the EMS services it provides pursuant to this Contract, and shall manage and protect any confidential information (including but not limited to protected health information (PHI) of patients served by CITY) that is contained in such records in a manner compliant with applicable law and regulations. In the event such records are requested by a third party, the CITY shall produce such records in a manner that is fully compliant with applicable law. The CITY shall maintain such records for the time periods as prescribed in the CITY's records retention policies. COUNTY and CITY shall agree upon protocols and procedures for the sharing of such records with COUNTY as may be necessary for COUNTY to respond to legal demands for such records, including subpoenas and the like.
- E. Licenses and Certifications.** CITY warrants that all persons providing EMS under this Contract will be fully licensed and certified by all applicable regulatory agencies having jurisdiction over the provision of such services. In the event CITY is notified by any regulatory agency of any investigation or potential violation of state or federal laws or regulations pertaining to the EMS services, CITY will provide prompt notice of such investigation or violation to COUNTY, and shall thereafter apprise COUNTY of the status of such investigation or violation as requested by COUNTY. Should COUNTY determine, in its sole discretion that the violations of state or federal laws or regulations in the provision of EMS Services by CITY is significant, or that such violations put the COUNTY's residents at risk, then upon such determinations, the COUNTY may terminate this Contract by providing at least thirty (30) days advance written notice to CITY.

## **Section VI. Considerations**

The consideration to be conveyed to the CITY pursuant to this Agreement shall consist of the award of exclusive market rights as defined within the "Definitions" section of this Contract for the term of the Contract and an annual subsidy.

The SUBSIDY shall be as defined below.

The COUNTY agrees to pay to the CITY a subsidy (SUBSIDY), payable in quarterly installments. The SUBSIDY shall be determined by the CITY to reflect the



shortfall, if any, between the amounts of revenue generated by the provision of services and the cost of providing such services. The COUNTY agrees to an annual evaluation of the actual cost to provide the services contemplated in this Contract based on a similar report shown in Exhibit A. The COUNTY payment will be added or deducted from the first quarter payment of the following fiscal year. In like manner, the COUNTY will be credited any over payment of SUBSIDY if it is determined that it has overpaid the SUBSIDY for the prior year, based upon the assessment of costs for the services described above. The SUBSIDY for FY 2022 shall be \$943,109 to be completely paid by the COUNTY by October 1, 2022. In addition, the COUNTY will pay \$250,000 by December 1 for a one-time contribution to the negative cash position of the EMS fund for Fiscal Year 2021. The SUBSIDY agreed to by the PARTIES shall be payable in quarterly installments, on the last business day before January 1, April 1, July 1, and October 1.

The CITY agrees to provide to the COUNTY, on an annual basis in March, financial reports regarding the provision of services by the CITY under this Agreement. At the end of each year, the CITY shall calculate the costs for providing the services based on the report shown in Exhibit A, and shall deliver the calculations to the COUNTY for review, so as to determine whether a true up amount is payable by the COUNTY or due to the COUNTY. The CITY will publish the amount of the subsidy by March 31 of each year, as calculated by the report set forth in Exhibit A. The CITY will provide all records utilized in calculating the SUBSIDY, as well as any true-up amounts calculated at the end of each year. The COUNTY will provide written notice of acceptance of the subsidy amount by July 15th of each year. If notice is not received in writing the contract will automatically terminate the following October 1.

The CITY agrees to provide quarterly reports including run count and average response time. There will be an opportunity to meet and confer regarding the service on a quarterly basis if requested by the COUNTY. The CITY agrees to provide notice to the COUNTY of rates to be charged for transports. The CITY will have sole discretion to set said rates.

- A. Compliance with Laws.** The services furnished by the CITY under this Contract shall be rendered in substantially full compliance with all federal, state and local laws, rules and regulations. It shall be the CITY's responsibility to determine which laws, rules and regulations apply to services rendered under this Contract and to maintain compliance with those applicable standards.
- B. Severability.** In the event any provision hereunder is determined to be illegal, invalid or unenforceable under applicable law, said provision shall be deemed deleted from this Contract as if never contained herein and the remainder of this Contract shall remain enforceable.
- C. Headings.** The paragraph headings contained in this Contract are solely

for the convenience of the Parties and shall in no manner be construed as part of this Agreement.

- D. Choice of Law and Venue.** This Contract shall be governed by the laws of the State of Texas, and, in the event of litigation with respect to this Contract or any of its terms and conditions, venue shall rest in Navarro County, Texas.
- E. Entire Agreement.** This Contract supersedes any and all other agreements, whether oral or in writing, between the parties hereto with respect to the subject matter hereof, and no other agreement, statement, or promise relating to the subject matter of this agreement that is not contained herein or set forth as an attachment or attachments to this Contract and identified as such within the body of this Contract document shall be valid or binding unless in writing signed by the Parties.
- F. Amendment.** This Contract may be amended by writing upon the agreement of both Parties so as to conform to the law or any changes in the law and/or regulations applicable to the terms of this Contract.
- G. No Waiver.** The failure of either party to insist upon the strict observance of performances of any provision of this Contract or to exercise any right or remedy as provided in this Contract shall not impair any right or remedy of such party or be construed as a waiver or relinquishment thereof with respect to subsequent defaults or breaches. Every right and remedy given by this Contract to the parties hereto may be exercised from time to time and as often as may be deemed expedient by the appropriate party.
- H. Independent Contractor.** Nothing in this Contract shall be construed to make either party the partner or joint venture of or with the other party. It is further agreed that in the performance of all obligations undertaken by CITY under this Contract, CITY is an independent contractor with the right to supervise, manage, control, and direct the performance of the Emergency Services required under this Contract. COUNTY shall look to CITY for results only and COUNTY shall not direct or oversee CITY or its agents, members, employees or volunteers in the delivery of such Emergency Services, or the manner, means, or methods by which the Emergency Services are performed or the manner in which CITY conducts its internal operations, except for financial and fiscal matters concerning CITY's receipt or expenditure of COUNTY appropriated funds. Provided, however, the COUNTY shall have the right to evaluate for its own purposes the appropriateness and sufficiency of the CITY's delivery of the Emergency Services required under this Contract. The right shall include financial audits.

- I. **No Third Party Beneficiary.** This agreement does not and is not intended to confer any rights or remedies upon any person other than the CITY and the COUNTY.

## **Section VII. Insurance and Indemnification**

**Insurance Requirements.** At all times while this Agreement is in affect, the CITY shall obtain and maintain insurance, pay all premiums for such insurance and furnish an Accord Certificate of Insurance to the COUNTY, for the types of insurance specified below. The CITY shall furnish to the COUNTY an Accord Certificate of Insurance demonstrating that the types and amounts of insurance required hereunder are in full force and effect. The CITY shall also require that the insurance carrier give the COUNTY thirty (30) days written advanced notice of any cancellation, change, termination, failure to renew, or any change in coverage of any such policy or policies reflected on said certificate. Nothing in this section shall be deemed to prohibit the use of "self-insurance" as that term is normally used or to be a limitation upon the CITY regarding any deductibles it may choose in connection with any insurance policies it obtains pursuant to this Agreement. Insurance shall meet the following minimum requirements:

1. **Workers' Compensation.** Workers' Compensation Insurance as permitted by the laws of the State of Texas, including a self-insurance plan if used, which shall provide coverage to all employees of the CITY assigned to duties related to or arising out of the performance of duties under this Contract as required by law.
2. **Commercial General Liability.** Commercial general liability insurance in the amount deemed necessary by the CITY to provide coverage for occurrences or claims resulting from bodily injury (including death) and/or property damage caused or allegedly caused by the CITY in connection with the performance of its duties under this Agreement.
3. **Automobile Liability.** The CITY shall maintain Automobile Liability insurance on all vehicles and drivers who carry out any of the CITY's duties and obligations pursuant to this Agreement.
4. **Malpractice Insurance.** Malpractice insurance in an amount deemed necessary by the CITY to provide coverage for any acts or omissions arising out of the provision of medical or health services pursuant to this Agreement.

5. **Submission of Policies.** Said insurance policies required hereunder shall be submitted to the County Judge of the COUNTY. Satisfactory evidence that such insurance is at all times in full force and effect shall be furnished to the County Judge of the COUNTY, in the same form as delivered received by the CITY.
  
6. **Indemnity.** The CITY agrees to indemnify and hold harmless the COUNTY and its authorized Commissioners, County Judge and employees and agents, of and from any and all claims and causes of action brought by any person or entity against the COUNTY, arising out of or in any way connected with the performance by the CITY of its obligations and duties hereunder, or the failure to perform such duties and obligations, pursuant to this Agreement, including but not limited to claims arising out an alleged failure to adhere to or fulfill any clinical standards or procedures and regulatory claims for alleged violations of government regulations. It is the intent of the parties that this indemnity covers any claims, including negligence, gross negligence, and claims for injuries to persons or property, including employees, made by any person or entity against the COUNTY, incurred by the COUNTY in defending against such claims. In addition, the COUNTY agrees to indemnify and hold harmless the CITY, its authorized City Councilmen, Mayor, and employees and agent, of and from any and all claims and causes of action brought by any person or entity against the CITY, arising from or in any way connected with the performance by the COUNTY of its obligations and duties, or the failure to perform such duties and obligations, pursuant to this Agreement, including, but not limited to, claims arising from an alleged failure to properly classify 911 calls. It is the intent of the parties that this indemnity covers any claims, including negligence, gross negligence, and claims for injuries to persons or property, including employees, made by any person or entity against the CITY, incurred by the CITY in defending against such claims.



NAVARRO COUNTY, TEXAS

*[Signature]* 10-8-2021  
 County Judge, H.M. Davenport Date

*[Signature]* 10-8-2021  
 County Clerk, Sherry Dowd Date

CITY OF CORSICANA, TEXAS

*[Signature]* 9/28/21  
 Mayor, Don Denbow Date

*[Signature]* 10/8/21  
 City Secretary, Melissa Boyle Date

EXHIBIT "A"



**CORSICANA**  
*Fire Rescue*

Corsicana Fire Rescue  
Emergency Medical Services  
Navarro County FY 2019

## **Emergency Medical Services Operational Review**

### **Corsicana Fire Department Emergency Medical Service**

The Corsicana Fire Department is licensed through the Texas Department of State Health Services to operate at a Basic Life Support and Advanced Life Support service level. The department provides EMS service to the citizens of Corsicana and has also contracted with Navarro County since 2002 to provide the same level of EMS service to their citizens. Corsicana's Emergency Medical Service is not in the City's General Fund Budget. It is in an enterprise fund much the same as the City's utility service. This is a fee for service-based system, those who utilize the service are billed through a third-party billing company. In addition to the revenue received through fee for service billing, the City of Corsicana participates in the Texas Ambulance Supplemental Payment Program to assist in offsetting the cost for uninsured, underinsured, and indigent persons to which EMS services were provided. The remaining deficit in the EMS fund is made solvent through transfers from the City's general fund and contributions from Navarro County.

The Corsicana Fire Department's Emergency Medical Services program consists of 33 certified EMT/Paramedic personnel and 1 EMS Secretary for a total of 34 personnel. In addition to being certified as EMT/Paramedics with the Texas Department of State Health Services the personnel are dual certified with the Texas Commission on Fire Protection as structural firefighters. The EMT/Paramedic personnel work a twenty-four hour shift then are off for forty-eight hours before returning for another twenty-four-hour shift. In addition to the 33 personnel directly providing patient care and the 1 EMS secretary, Corsicana Fire Department utilizes its Fire Officers to provide supervision of the EMS System. This includes the review of EMS documentation, logistical, and managerial responsibilities. Each Fire Station contains a company officer who dedicates a significant amount of their time to this. The Assistant Fire Chief spends an estimated 50% of his time directly to the EMS system. The Assistant Chief's duties are split equally between Fire Prevention and EMS.

The department maintains six ambulances. Four of these ambulances are manned front-line units and the two additional ambulances are unmanned reserve units. The two reserve units are placed into service whenever a front-line ambulance is out of service for any reason or when more than four ambulances are needed for immediate emergency response. In order to place a reserve ambulance in service it requires shutting down fire apparatus to obtain the staffing to man the reserve ambulance. To help ensure that ambulance replacement costs are minimized, the patient compartment for each ambulance is refurbished and reinstalled on a new cab and chassis one time prior to fully replacing the entire unit.

In addition to providing 911 response to the citizens in Corsicana and Navarro County, the EMS service also provides both emergency and non-emergency transfers of patients from Navarro Regional Hospital to other facilities within a 75-mile radius. This range of service is necessary for our citizens to receive care that may not be available locally. Every attempt is made, through collaboration with Navarro Regional Hospital and Corsicana Fire Department, to keep the transfers within this distance to maximize a quick turn around time that will increase the amount of time that ambulances in Navarro County are available for 911 response.

The department also has the ability to request air medical services when necessary from PHI Air Medical which is locally based at the Corsicana Airport. Other air medical units such as Care Flite based out of Dallas, Air Evac out of Fairfield, and UT Health NE out of Athens can be obtained when PHI is unavailable. Services from these providers are only used in major incidents. There is no cost to the City to obtain this service from the air medical providers.

The following summary was developed to show the cost to provide Emergency Medical Services to both the City and Navarro County and the related revenues together and for Navarro County separately. Every attempt has been made to quantify the actual costs associated, therefore the run volume/time, expenses and revenues are based upon the 2019 Fiscal Year.

## Emergency Medical Services

### Total EMS System FY 2019

Total EMS System Delivery Cost			
Population	50113		
Annual Ambulance Unit Hours	35040		
EMS Calls/Yr	6716	FY 19	
EMS Transports/Yr	5238	FY 19	
UH/U	0.191666667		
<b>Personnel cost for System</b>			
FTEs	33	Total FTE for System	
Cost/FTE	\$ 90,064.01	All costs, pay, benefits, uniform, retirement, OT	
Cost of 1 EMS Secretary	\$ 40,250.00	Salary and Benefits	
<b>Personnel cost</b>	<b>\$ 3,012,362.33</b>		
<b>Ambulance</b>			
Ambulance	\$227,360	Cost of the ambulance delivered	
Equipment	\$ 60,092.00	Cot, monitor, Compression device	
Cost	\$287,452.00	Total Costs	
Useful Life/Years	5	Depreciation Expense	
Number of Ambulances	6	Count of Ambulances	
<b>Ambulance Cost</b>	<b>\$344,942.40</b>	Annual Cost per Ambulance	
<b>Other Expenses</b>			
Maintenance	\$ 50,046.00	Actual Cost 2019	
Supplies	\$ 71,942.00	All Supplies Excluding Fuel and Medical	
Medical Supplies	\$ 117,589.00	Medical Supplies	
Fuel	\$ 69,567.00	Fuel	
Services	\$ 184,884.00	All Services to Include Med Control, Training, EMS Billing, Software, etc.	
<b>Other Expenses Total</b>	<b>\$ 494,028.00</b>		
<b>Total Annual</b>	<b>\$ 3,851,332.73</b>		
Cost/UH	\$ 109.91		
Cost/Response	\$ 573.46		
Cost/Transport	\$ 735.27		

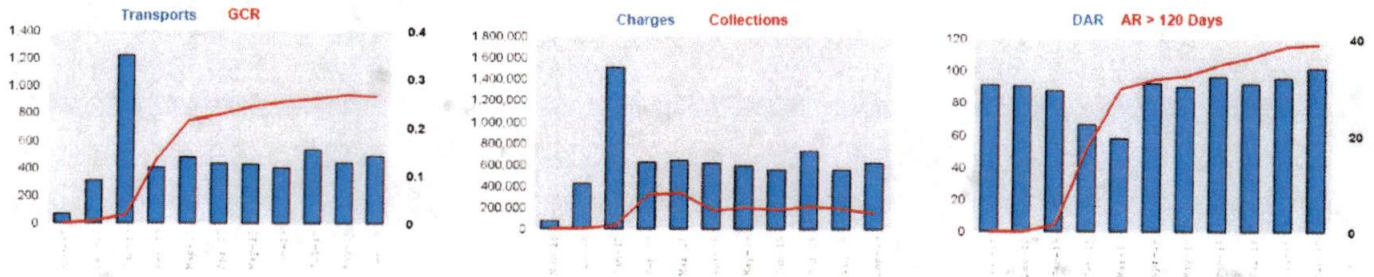
The above report shows the total expenses for the EMS service in FY 2019. Our unit hour utilization rate for the service is 0.192. This is the amount of time that our ambulances are actively engaged on EMS incidents as compared to the total staffed hours. In addition, an economic analysis has determined the needed collected cost per transport of \$735.27 to cover expenses.



## Executive Summary of Total EMS Billing for FY 2019

Account Period	Transport Volume			Charges			Collections			Collection Rates			Accounts Receivable				Net Bad Debt	
	Total	ALS	BLS	Gross	Adjustments	Net	Gross	Adjustments	Net	GCR*	NCR*	Gross Collection Per Transport**	Ending AR	Days in AR	%AR >120	Credit Balance	Amount	%
Sep-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Oct-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nov-18	63	49	14	71,363	0	71,363	0	0	0	0.0%	0.0%	\$0	71,363	91.0	0.0%	0	0	0.0%
Dec-18	311	244	67	421,008	(1,887)	419,321	(2,117)	0	(2,117)	0.4%	0.4%	\$6	488,567	90.3	0.0%	(378)	0	0.0%
Jan-19	1,218	914	304	1,506,718	(42,747)	1,463,971	(33,255)	0	(33,255)	1.8%	1.8%	\$22	1,919,283	87.4	1.4%	(467)	0	0.0%
Feb-19	405	331	74	624,800	(348,456)	276,144	(323,453)	361	(323,092)	13.7%	16.1%	\$180	1,872,334	66.8	17.9%	(699)	0	0.0%
Mar-19	479	387	92	642,469	(387,399)	255,070	(341,714)	0	(341,714)	21.4%	28.2%	\$283	1,785,701	57.9	29.5%	(10,160)	(19,589)	0.6%
Apr-19	434	377	57	616,307	(219,986)	396,321	(176,166)	2,506	(173,660)	22.8%	30.3%	\$301	1,904,522	92.0	31.5%	(14,153)	(83,839)	2.7%
May-19	431	379	52	586,310	(217,526)	371,784	(204,833)	537	(204,296)	24.2%	33.1%	\$324	1,820,728	89.7	32.3%	(17,196)	(251,282)	8.1%
Jun-19	400	340	60	555,137	(195,745)	359,392	(182,873)	351	(182,522)	25.2%	34.9%	\$338	1,862,143	96.2	34.5%	(21,450)	(135,455)	10.8%
Jul-19	533	447	86	727,169	(269,695)	457,474	(216,859)	1,317	(215,542)	25.7%	36.4%	\$347	1,883,747	91.6	36.1%	(27,326)	(200,328)	18.4%
Aug-19	439	369	70	552,790	(217,147)	335,643	(191,926)	0	(191,926)	26.5%	36.0%	\$355	1,923,616	95.4	38.3%	(32,079)	(103,846)	21.6%
Sep-19	490	407	83	622,362	(119,813)	502,549	(147,690)	0	(147,690)	26.3%	37.1%	\$350	2,121,102	101.5	38.8%	(36,343)	(157,373)	25.4%
13 Mth Total	5,203	4,244	959	6,929,232	(2,040,201)	4,889,031	(1,820,888)	5,072	(1,815,817)	-	-	-	-	-	-	-	(952,112)	10.5%
Current FYTD	5,203	4,244	959	6,929,232	(2,040,201)	4,889,031	(1,820,888)	5,072	(1,815,817)	-	-	-	-	-	-	-	(952,112)	10.5%
Previous FYTD	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Current 12 Mth Avg	473	386	87	629,930	(185,473)	444,457	(165,535)	461	(165,074)	26.3%	37.1%	\$386	1,603,010	84.5	28.1%	(14,568)	(86,556)	10.5%
Prev 12 Mth Avg	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	0	0	0.0%
Variance%	0.0%	0.00%	0.00%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	-	-	-	-	-	0.0%	0.0%	0.0%

\* GCR (Gross Collections / Gross Charges) and NCR (Net Collections / Net Charges) calculations are based on a maximum of 12 months of data. The Net GCR Lag (Net Collections / Gross Charges) is based on a maximum of 3 months of data with a 1 month Gross Charge Lag. Net Bad Debt % is based on a 6 month average.  
 \*\* Gross Collection Per Transport is based on 12 month rolling period.



The above report depicts the total charges, adjustments, and collections for the EMS system in FY 2019. The total gross charges for this period was \$6,929,232 and after contractual adjustments the net collections was \$1,820,888. This is a 26.3% gross collections rate.

Based upon the actual expenses incurred in 2019 of \$3,851,332 a deficit of \$2,030,444 exists however, in addition to the revenue received through EMS billing, additional revenue was received through the TASPP in the amount of \$134,976, the EMS Subscription program for \$33,248, a small portion of revenue from the previous billing company in the amount of \$21,402, and \$13,185 through the NCTTRAC. This increases the actual revenue received during FY 2019 to \$2,023,699. With these additional forms of revenue, the deficit was \$1,827,633 as compared to the expenses incurred. One consideration that has not been calculated in the expenses is the amount of time spent by Corsicana Fire Department Fire Officers in the supervision, management, and logistics of the EMS program. These Officers are not paid from the EMS fund,

but instead are paid from the City's General Fund. There are currently 3 Shift Commanders who all have greater than 15 years of service, their annual base salary alone is \$79,462. There are 9 Fire Lieutenants, who provide supervision at each fire station, they have an average of 11 years of service, their base salary is an estimated \$70,447. The Assistant Chief has a base salary of \$88,062. By estimation alone, the following is a percentage of how much time is spent by fire officers for the supervision and management of EMS.

- Assistant Fire Chief - 50% of \$88,062= \$44,031
- Fire Captain (Shift Commander) – 30% of \$79,462 X 3= \$71,515.80
- Fire Lieutenant (Station Officer) – 30% of \$70,447 X 9= \$190,206.90

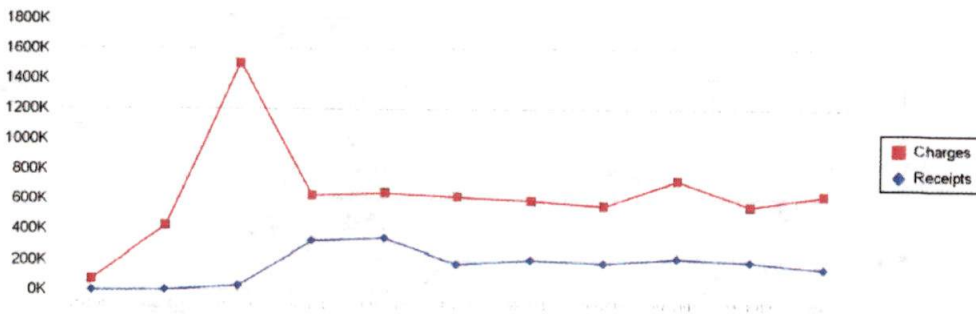
The estimated total amount for Fire Officer supervision of EMS is \$305,753.70. If this is included in the calculated expense of the EMS program the estimated annual cost for the service then becomes \$4,157,085.

The next report is a detailed Executive Financial Summary of the total system for 2019. The gross receipts on average per transport was in the amount of \$349.97. However, as stated previously, for the EMS system to be solvent through EMS billing alone it would require a collected amount of \$735.27 per transport.

## Finance Summary for Total EMS System FY 2019

### Client Summary

Post Month	Gross Charges	Gross Receipts	Collection Adjustments	Net Receipts	Adjustments/Write-Offs	Transports
November 2018	\$71,363.40	\$0.00	\$0.00	\$0.00	\$0.00	63
December 2018	\$421,007.60	\$2,116.89	\$0.00	\$2,116.89	\$1,666.96	311
January 2019	\$1,506,717.80	\$33,255.17	\$0.00	\$33,255.17	\$42,747.07	1,218
February 2019	\$624,599.70	\$323,452.76	(\$360.58)	\$323,092.18	\$348,456.04	405
March 2019	\$642,468.60	\$341,713.97	(\$0.30)	\$341,713.67	\$407,387.68	479
April 2019	\$616,307.20	\$176,166.41	(\$2,505.76)	\$173,660.65	\$303,825.30	434
May 2019	\$588,309.60	\$204,833.06	(\$537.03)	\$204,296.03	\$468,807.85	431
June 2019	\$555,137.20	\$182,873.38	(\$351.26)	\$182,522.12	\$331,200.07	400
July 2019	\$727,169.30	\$216,859.06	(\$1,316.62)	\$215,542.44	\$490,822.82	533
August 2019	\$552,790.10	\$191,927.84	\$0.00	\$191,927.84	\$320,893.52	438
September 2019	\$622,361.80	\$147,689.85	\$0.00	\$147,689.85	\$277,165.66	490
<b>Total</b>	<b>\$6,929,232.30</b>	<b>\$1,820,888.39</b>	<b>(\$5,071.55)</b>	<b>\$1,815,816.84</b>	<b>\$2,992,312.97</b>	<b>5,203</b>
<b>Avg / Month</b>	<b>\$629,930.21</b>	<b>\$165,535.31</b>	<b>(\$461.05)</b>			
<b>Avg / Transport</b>	<b>\$1,331.78</b>	<b>\$349.97</b>				



**Emergency Medical Services  
County Service EMS System FY 2019**

To best depict the total expenses incurred to provide EMS services to Navarro County in FY 2019, the total amount of time spent on County incidents, 2,252.13 hours was divided into the total amount of time spent on all EMS incidents of 6,784.26 hours. This equates to 33% of the total time spent on EMS incidents to the County.

Total Time Spent on County EMS Incidents	2251.13			
Total Time Spent on EMS Incidents for System	6784.26			
Percentage of County	33%			
All Expenses are calculated at 33% of total system				

Based upon this, it can be assumed that 1/3 of the total expenses for service delivery is required to provide service to the County. The County EMS system delivery cost is detailed in the following report. All expenses to include 1/3 of the personnel (includes all associated benefits such as Retirement, Healthcare, and Overtime), 2 ambulances, and 1/3 of all other associated expenses are included. The total expenses for delivery of County EMS service comes to \$1,283,777.

This does not include the aforementioned personnel cost required to supervisor and manage the EMS program. The estimated total amount for Fire Officer supervision of EMS is \$305,753.70. 1/3 of this amount is \$101,917.90. This additional expense would equate to an expense cost to provide EMS service to Navarro County in the amount of \$1,385,694.90.

Personnel Cost	\$ 1,004,121.00
Ambulance Cost	\$ 114,980.00
Other Expenses	\$ 164,676.00
Total w/Out Supervision	\$ 1,283,777.00
Total w/Supervision	\$ 1,385,694.00

## Emergency Medical Services

### Navarro County EMS System FY 2019

Total County EMS System Delivery Cost FY 19

Population	26153
Annual Ambulance Unit Hours	11680
EMS Calls/Yr	1911 FY 19
EMS Transports/Yr	1376 FY 19
UH/U	0.163613014

**Personnel cost for System**

FTEs	11	Total FTE for System
Cost/FTE	\$ 90,064.03	All costs, pay, benefits, uniform, retirement, OT
Cost of 1/3 EMS Secretary	\$ 13,416.67	Salary and Benefits
<b>Personnel cost</b>	<b>\$ 1,004,121.00</b>	

Ambulance	\$227,360	Cost of the ambulance delivered
Equipment	\$ 60,092.00	Cot, monitor, Compression device
Cost	\$287,452.00	Total Costs
Useful Life/Years	5	Depreciation Expense
Number of Ambulances	2	Count of Ambulances
<b>Ambulance Cost</b>	<b>\$114,980.80</b>	Annual Cost per Ambulance

**Other Expenses**

Maintenance	\$ 16,682.00	Actual Cost 2019
Supplies	\$ 23,980.67	All Supplies Excluding Fuel and Medical
Medical Supplies	\$ 39,196.33	Medical Supplies
Fuel	\$ 23,189.00	Fuel
Services	\$ 61,628.00	All Services to Include Med Control, Training, EMS Billing, Software, etc.
<b>Other Expenses Total</b>	<b>\$ 164,676.00</b>	

**Total Annual** **\$ 1,283,777.80**

Cost/UH	\$ 109.91
Cost/Response	\$ 671.78
Cost/Transport	\$ 932.98

**Economic Analysis**

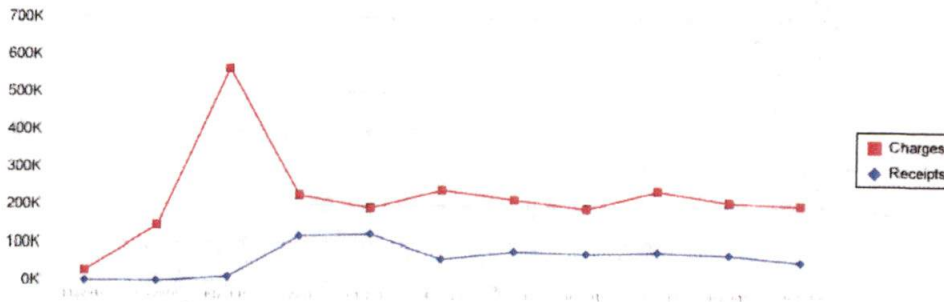
Cost per Transport	\$ 932.98
Average Collection Rate	28.16% Gross Collection Rate FY 19
Gross APC	\$ 3,313.13 Amount needed to collect enough \$ per transport to cover EMS
Net APC - Verify	\$ 932.98

An economic analysis was performed for the county service alone. It has been determined that each transport would require payment of \$932.98 to cover the expenses. This does not include the supervision or management of EMS. The next report shows the total revenue received from incidents in Navarro County during FY 2019. The average amount collected per transport in the

county during FY 2019 was \$410.48. This is roughly 44% of the revenue for the County EMS program to be self-sustaining through ambulance billing alone.

Client Summary

Post Month	Gross Charges	Gross Receipts	Collection Adjustments	Net Receipts	Adjustments/Write-Offs	Transports
November 2018	\$26,221.50	\$0.00	\$0.00	\$0.00	\$0.00	20
December 2018	\$145,438.50	\$0.00	\$0.00	\$0.00	\$0.00	96
January 2019	\$563,778.50	\$12,436.90	\$0.00	\$12,436.90	\$14,499.73	408
February 2019	\$227,789.00	\$118,764.76	\$0.00	\$118,764.76	\$119,567.43	138
March 2019	\$194,003.50	\$125,466.57	\$0.00	\$125,466.57	\$146,005.93	129
April 2019	\$242,851.00	\$62,446.41	\$0.00	\$62,446.41	\$104,527.67	155
May 2019	\$216,979.50	\$82,876.91	(\$3.70)	\$82,873.21	\$161,646.74	149
June 2019	\$193,589.00	\$77,967.68	(\$350.01)	\$77,617.67	\$114,848.04	134
July 2019	\$242,493.00	\$82,372.67	(\$1.25)	\$82,371.42	\$156,891.87	163
August 2019	\$211,873.00	\$75,630.04	\$0.00	\$75,630.04	\$107,142.65	155
September 2019	\$204,354.00	\$57,803.23	\$0.00	\$57,803.23	\$102,794.49	145
<b>Total</b>	<b>\$2,469,370.50</b>	<b>\$695,765.17</b>	<b>(\$354.96)</b>	<b>\$695,410.21</b>	<b>\$1,048,024.55</b>	<b>1,695</b>
<b>Avg / Month</b>	<b>\$224,488.23</b>	<b>\$63,251.38</b>	<b>(\$32.27)</b>			
<b>Avg / Transport</b>	<b>\$1,456.86</b>	<b>\$410.48</b>				



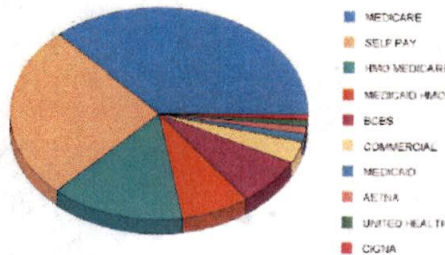
As seen in the financial report above, in FY 2019, \$695,410.21 was collected through traditional EMS billing for Navarro County. With the additional expense of EMS supervision, which is \$101,917.90. The total expense to provide EMS service to Navarro County is \$1,385,694.90. This is a difference of \$690,284.70.

Without the inclusion of EMS supervision, the difference between the expense and revenue is \$588,367.60.

# Payer Mix for Navarro County

FY 2019

Top 10 Insurance Payers



ENCOUNTER TYPE	CHARGES				GROSS RECEIPTS			
	MONTH TO DATE		FISCAL YEAR TO DATE		MONTH TO DATE		FISCAL YEAR TO DATE	
	Total	Percent	Total	Percent	Total	Percent	Total	Percent
MEDICARE	\$79,851	39.1%	\$900,423	36.5%	\$20,569	35.6%	\$312,255	44.9%
SELF PAY	\$37,419	18.3%	\$645,102	26.1%	\$1,389	2.4%	\$16,912	2.4%
HMO MEDICARE	\$34,520	16.9%	\$356,636	14.4%	\$9,936	17.2%	\$106,616	15.3%
MEDICAID HMO	\$17,207	8.4%	\$181,575	7.4%	\$3,082	5.3%	\$24,430	3.5%
BCBS	\$12,422	6.1%	\$179,674	7.3%	\$13,907	24.1%	\$131,717	18.9%
COMMERCIAL	\$5,357	2.6%	\$80,578	3.3%	\$2,221	3.8%	\$32,684	4.7%
MEDICAID	\$4,413	2.2%	\$31,194	1.3%	\$2,452	4.2%	\$25,339	3.6%
AETNA	\$6,592	2.7%	\$27,123	1.1%	\$238	0.4%	\$11,589	1.7%
UNITED HEALTHCARE	\$3,775	1.8%	\$25,276	1.0%	\$762	1.3%	\$12,902	1.9%
CIGNA	\$2,169	1.1%	\$20,006	0.8%	\$1,967	3.4%	\$14,752	2.1%
Others	\$1,631	0.8%	\$21,783	0.9%	\$1,281	2.2%	\$6,568	0.9%
<b>Total</b>	<b>\$204,354</b>		<b>\$2,469,371</b>		<b>\$57,803</b>		<b>\$695,765</b>	

It is important to understand the payer mix throughout Navarro County to understand why the gross charges will not cover the associated expenses. The above report is a payer mix summary for FY 2019. The total gross charges of \$2,469,371 was reduced through contractual adjustments to \$695,765.

The top payer is Medicare. This payer accounts for 36.5% of the Gross Charges in the amount of \$900,423. The amount collected of this is \$312,255, which is 44.9% of the revenue. The reduction is directly related to contractual adjustments which are made by CMS. We have no control over these payments.

Unfortunately, the next highest payer group for Navarro County is Self-Pay, accounting for 26.1% of the gross charges or \$645,102. The amount collected through self-pay for 2019 was \$16,912 or 2.4% of the gross receipts. Recently Corsicana Fire Department has begun working with Navarro Regional Hospital to identify patients who are initially identified as self-pay to see if they are eligible for Medicaid. In the event that these individuals are eligible then our billing company will submit the claim to Medicaid instead of self-pay once the individual has coverage. This will allow us to go back 90 days from the date they have coverage to submit the claim.

In addition, Medicare HMO charges were \$356,636 or 14.4% with gross receipts of \$106,616 or 15.3% followed by Medicaid HMO with \$181,575 or 7.4% with receipts of \$24,430 or 3.5%.

The remaining 15.6 % of gross charges come from Medicaid and Commercial Insurance providers. One item that is exceptional is those that have BCBS as coverage. Gross Charges to BCBS are in the amount of \$179,674 or 7.3% with an astonishing gross receipt amount of \$131,717 or 18.9% of the total gross collections.

## **Summary**

In Summary, the EMS program has and will always require economic support in addition to EMS billing. In recent years, the amount of funding available to EMS providers through the TASPP has waned. This has had a direct negative impact on all EMS service providers.

The Corsicana Fire Department has and will always ensure that our EMS personnel are trained to a level above the standards set forth through our governing bodies. We will always have the best equipment to provide the highest level of service to our customers when called upon and will ensure that we provide a professional service that allows us grow and foster positive relationships with citizens, hospitals, and all other governmental and social entities at every opportunity.