

Staff Report
Board Meeting Date: October 24, 2024

DATE: October 17, 2024
TO: District Board of Health
FROM: Andrea Esp, Preparedness and EMS Oversight Program Manager
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SUBJECT: Discussion and possible approval of the operational review of the Amended Franchise Agreement for Ambulance Service during the tenth year of its term.

SUMMARY

The Regional Emergency Medical Services Authority (REMSA) Franchise Compliance Report is presented to the District Board of Health (DBOH) once every fiscal year to audit the auditable articles dictated within the Franchise Agreement with accuracy and transparency. Since the implementation of the Amended and Restated Franchise Agreement for Ambulance Service, which came into effect at the start of FY15, DBOH has approved the REMSA Franchise Compliance Report annually through the most current completed fiscal year (FY23).

Article 2.5 establishes aspects of the Franchise term, which entitles REMSA to the exclusive right to operate ground ambulance services within the Franchise Area from July 1, 2014, through June 30, 2030. During the tenth year of this term, a review of operations must be conducted to determine whether the performance standards of this agreement have been met. This report serves as a review of operations.

District Health Strategic Priorities supported by this item:

Impactful Partnerships: Extend our impact by leveraging partnerships to make meaningful progress on health issues.

PREVIOUS ACTION

On January 22, 2015, the Board approved the REMSA Franchise Compliance Report for FY14.

- The report presented that REMSA had been in compliance with all 26 auditable items, as outlined on the FY13/14 REMSA Compliance Worksheet (see DBOH – 10-24-2024 - REMSA Compliance Report Worksheet FY14). This was the final fiscal year that the 2005 REMSA Franchise Agreement would be in effect. The Board discussed the minimal legal language within the Franchise Agreement (FA) and challenges verifying items in the checklist deemed “not auditable.” Chair Jung instructed that before submitting the next report, the Board would like to see how it will be approached based on franchise language. The Board moved to approve the report.

On June 25, 2015, DBOH approved the REMSA Compliance Checklist (see DBOH – 10-24-2024 - REMSA Compliance Checklist FY15 Adopted by DBOH 6.25.2015) to be used to determine REMSA’s Franchise compliance with the Amended and Restated Franchise Agreement for Ambulance Service.

- This checklist was created as a tool to track information collected during the compliance review period. It was structured similarly to the FA, including all seventeen (17) articles and associated sub-articles and determining whether REMSA met the requirements as per the documentation collected by the Health District.

On February 25, 2016, the Board approved the REMSA Franchise Compliance Report for FY15.

- This was the first fiscal year that the compliance report reflected the new Amended and Restated Franchise Agreement. REMSA was found to be in “substantial compliance.” In the report, it was addressed that four (4) areas were found to be partially in compliance. These included articles 5.2, 7.2, 10.2 and 12.1. Each area was individually addressed to determine what fell short, which parties were responsible, what actions could be made to improve, and that each area described was easily fixed going forward. Vice Chair Ratti opined that she was satisfied as long as there was a plan in place to address partial or substantial compliance. The Board unanimously moved to accept the report as presented.

On May 26, 2016, the Board approved the REMSA Compliance Checklist FY16 (see DBOH – 10-24-2024 - REMSA Compliance Checklist FY16 Adopted by DBOH on 5.26.2016).

On January 26, 2017, the Board approved the REMSA Franchise Compliance Report for FY16.

- The FY16 compliance report and checklist were made available to the Board. REMSA had met all requirements except for Article 8.1, Average Patient Bill. The District Health Officer (DHO) enacted Article 8.3 of the Franchise to address this overage. Article 8.3 of the Franchise details when an overage in bill amount occurs. It states that “in the event of a maximum average bill exceeds the maximum average patient bill in effect for a particular franchise year, REMSA shall offset such overage against any allowable CPI adjustment for transports in the subsequent year.” Due to the importance of compliance with Article 8.3 in response to noncompliance with 8.1 while also meeting all other checklist requirements, staff recommended that the Board find REMSA compliant. Following this recommendation, the Board unanimously moved to approve the report.

On January 25, 2018, the Board approved the REMSA Franchise Compliance Report for FY17.

- Per the FY16 compliance checklist, EMS Oversight Program staff found REMSA to be in full compliance. The Board unanimously moved to approve the report.

On January 24, 2019, the Board approved the REMSA Franchise Compliance Report for FY18.

- Per the FY16 compliance checklist, EMS Oversight Program staff found REMSA compliant with all auditable Franchise articles and recommended the Board approve the Compliance Report for FY18. The Board unanimously moved to approve the report.

On January 23, 2020, the Board approved the REMSA Franchise Compliance Report for FY19.

- Per the FY16 compliance checklist, REMSA Health was found to comply with all articles within the Franchise. The Board unanimously moved to approve the report.

On July 23, 2020, REMSA presented the monthly compliance report. In the report, REMSA recommended changes to the REMSA EMS response system in Washoe County. DBOH approved the report.

On January 28, 2021, the Board approved the REMSA Franchise Compliance Report for FY20.

- Per the FY16 compliance checklist, EMS Oversight Program staff found REMSA compliant with all auditable Franchise articles and recommended the Board approve the Compliance Report for FY20. The Board unanimously moved to approve the report.
- At this meeting, REMSA Health presented the Board with a request for a blanket exemption to response times retroactive to July 2020, lasting 90 days from approval, due to the multifactorial issues that resulted in increased response times during the current pandemic. The request was made under the language of the approved exemption reasons for an emergency declaration. The Board requested that REMSA return during the February meeting to continue the exemption request as an action item.

On February 25, 2021, the Board approved the blanket exemption request for 60 days, retroactive to July 2020.

- This blanket exemption request was approved by the Board on 2/25/21 for a period of 60 days. In addition, the requirements for a monthly impact report, continuation of meetings with EMS partners for mutual aid on ambulance calls, and bi-weekly meetings with a task force were established. REMSA Health included an impact report in the monthly operations reports to DBOH, continued meetings with mutual aid partners, and all EMS partners as part of the interlocal agreement (ILA), including REMSA starting reporting to EMSAB mutual aid requests for the previous quarter. The bi-weekly task force meetings have transitioned into the Joint Advisory Committee (JAC), which continues to bring all regional EMS Partners and EMS Oversight Program staff together on a monthly basis.

On May 27, 2021, DBOH approved the REMSA Compliance Checklist FY21 to determine REMSA's Franchise compliance with the Amended and Restated Franchise Agreement for Ambulance Service. (see DBOH – 10-24-2024 - REMSA Compliance Checklist FY21 Adopted by DBOH 5.27.2021).

On March 24, 2022, the Board approved the REMSA Franchise Compliance Report for FY21.

- During FY21, REMSA Health was found to be in full compliance per the Compliance Checklist. The Board asked for an explanation of how REMSA Health was compliant for the benefit of the public. It was explained that due to the approved blanket exemption from late response times from July 2020 to Spring 2021, REMSA Health's late calls were exempted from non-compliance with response time standards set within the Franchise. The Board unanimously moved to approve the report.
- During the time of the aforementioned blanket exemption, the EMS Oversight Program and REMSA Health continued to track calls that resulted in a late response time. Despite the

exemption, REMSA Health continued to pay penalty fees for all non-compliant calls. A letter was provided by DHO Kevin Dick in November of 2021 (see DBOH – 10-24-2024 - Penalty Fund Total FY21 Approved by DHO). This also included that the approved expenditures for the accrued Penalty Fund for FY21 would be reported to DBOH in the REMSA Health Monthly Operations Report.

On March 23, 2023, the Board approved the REMSA Franchise Compliance Report for FY22.

- Per the FY21 compliance checklist, EMS Oversight Program staff found REMSA to be substantially compliant for FY22, with areas of non-compliance around Article 7.1. Previous actions around Article 7.1 and non-compliance for FY22 include:
 - July 28, 2022 - approval from DBOH for the DHO to issue REMSA Health a notice of non-compliance.
 - August 4, 2022 - issuance from DHO to REMSA Health of notice of non-compliance.
 - August 10, 2022- receipt from REMSA Health to DBOH a response to the notice of non-compliance with corrective action steps outlined.
 - August 2022, September 2022, October 2022, and December 2022 - REMSA presented to DBOH an agenda item for non-compliance follow-up.
 - December 2022 - approval from the DBOH to move the non-compliance follow-up into the REMSA Health Operations Report standing agenda item.
 - January 2023 and February 2023 - REMSA Health presented its Operations Report standing item with non-compliance included.
 - June 2023 - DBOH approved the revised compliance checklist, effective July 1, 2023.
- It was affirmed that corrective actions and progress were addressed. The Board moved unanimously to approve the report.

On June 22, 2023, the Board approved a revised checklist, effective July 1, 2023 (see DBOH – 10-24-2024 - REMSA Compliance Checklist Adopted by DBOH on 6.22.2023).

On March 28, 2024, the Board approved the REMSA Health Franchise Compliance Report for FY23.

- Per the compliance checklist, EMS Oversight Program staff found REMSA Health to be compliant for FY23. It was noted that changes made to the Franchise Agreement in August 2023 were not reflected in the checklist, but they were reviewed and evaluated prior to this meeting. Compliance with the new requirements was met from August 2022 through June 2023. The Board unanimously moved to approve the report.

BACKGROUND

The REMSA Health Franchise Compliance Report is based on documentation and analysis of data from REMSA Health personnel, the District Health Officer, the Nevada Division of Public and Behavioral Health, and the Washoe County EMS Oversight Program staff. Detailed documentation is available to the DBOH upon request.

All franchise articles are reviewed as part of the annual REMSA Health Franchise Compliance Report. EMS Oversight Program staff used the Amended and Restated Franchise Agreement (approved by the DBOH in August 2023) and compliance checklist (most currently approved by the DBOH on June 22, 2023) to determine compliance.

As stated in the Franchise, Article 2, Granting of Exclusive Franchise, and subset 2.5, Term, REMSA has been granted the exclusive right to operate ground ambulance services within the Franchise Service Area from July 1, 2014, until June 30, 2030. During the tenth year of this term (which concluded on June 30, 2024), a review of operations shall be conducted to determine if the performance standards of the FA have been met. If operations are determined to have met these standards, an operating extension of six (6) years may be granted from July 1, 2030, through June 30, 2036. Although “performance standards” are not included in Article 1, Definitions, the history of the Franchise between 2014 and the present time has included the utilization of the Compliance Checklist (originally approved by DBOH in April 2015) to document and verify all compliance standards, as indicated by the auditable items within the Franchise. All items found to be partially or fully non-compliant are presented to the Board, and efforts are made to resolve unmet standards. Plans are made and put into action to address contributing factors of non-compliance. Since FY15, the Board has annually found REMSA Health to be in compliance based on these auditable Franchise articles.

FISCAL IMPACT

Should the Board approve the review of operations during the Amended Franchise Agreement for Ambulance Service, there would be no additional fiscal impact on the budget.

RECOMMENDATION

Staff recommends that DBOH move to approve the operational review of the Amended Franchise Agreement for Ambulance Service during the tenth year of its term.

POSSIBLE MOTION

Should the Board agree with the staff’s recommendation, a possible motion would be: *“of the operational review of the Amended Franchise Agreement for Ambulance Service during the tenth year of its term.”*

ATTACHMENTS

DBOH – 10-24-2024 - REMSA Compliance Report Worksheet FY14

DBOH – 10-24-2024 - REMSA Compliance Checklist FY15 Adopted by DBOH 6.25.2015

DBOH – 10-24-2024 - REMSA Compliance Checklist FY16 Adopted by DBOH on 5.26.2016

DBOH – 10-24-2024 - REMSA Compliance Checklist FY21 Adopted by DBOH 5.27.2021

DBOH – 10-24-2024 - Exemption Criteria Letter Approved by DBOH Effective 7.1.2021

DBOH – 10-24-2024 - Penalty Fund Total FY21 Approved by DHO

DBOH – 10-24-2024 - REMSA Compliance Checklist Adopted by DBOH on 6.22.2023