



Office of the City Manager

CONSENT CALENDAR  
November 19, 2024

To: Honorable Mayor and Members of the City Council  
From: Paul Buddenhagen, City Manager  
Submitted by: David Sprague, Fire Chief  
Subject: Contract: Royal for Mental Health Ambulance Transport Services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract and any amendments with Royal Ambulance (Contractor) to provide the following mental health related transport services for the City from January 1, 2025 to December 31, 2027, in an amount up to \$6,000,000, with an option to extend for three additional years in one-year increments, for a total contract amount not to exceed \$12,000,000.

FISCAL IMPACTS OF RECOMMENDATION

The City shall compensate Contractor for the difference between the cost-of-service and corresponding revenue recovery achieved by the Contractor, less any performance penalty. City payment will occur no sooner than 180 days following Contractor's billing of the appropriate payer(s) for each 5150 response in the Berkeley exclusive operating area (EOA).

In response to this RFP, Contractor provided a fixed cost per transport not to exceed \$2,363 for the life of the agreement. Based on historical data, staff expect to request around 1200 transports per year. Prior to any cost recovery this would result in an annual cost to the City of \$2,835,000.

In FY20 1084 mental and behavioral health patients were transported by the city's private contract provider (Falck). In the following years, the number of transports has been trending downward. In FY23 there were 889 transports for mental and behavioral health patients in Berkeley, resulting in a cost to the city of \$1,361,754.

The actual annual cost to the City will vary depending on the number of transports performed by the Contractor and the amount recovered through the Contractor's cost recovery process. Based on historical data, staff expects the annual City liability, post cost recovery by the Contractor, to be less than \$2 million. Funding for this contract will come from General Fund Measure P and General Fund not associated with Measure P.

| FY   | Total Transports | Total Charged<br>(to insurance) | Total Collected<br>(by vendor) | Total Invoiced<br>(to CoB) |
|------|------------------|---------------------------------|--------------------------------|----------------------------|
| FY20 | 1084             | 2.2m                            | 0.5m                           | 1.7m                       |
| FY21 | 1041             | 2.1m                            | 0.5m                           | 1.6m                       |
| FY22 | 934              | 1.9m                            | 0.4m                           | 1.5m                       |
| FY23 | 889              | 1.8m                            | 0.4m                           | 1.4m                       |

The Department has provided the proposed vendor with instructions on how to process cost recovery. The methodology is in alignment with the cost recovery policies for City of Berkeley ambulance transports. The Department has monitored the cost recovery performance for the Mental Health Ambulance Transport provider to ensure it meets the expected performance, this will continue with the new proposed vendor.

#### CURRENT SITUATION AND ITS EFFECTS

A subset of ambulance transports are for people experiencing psychiatric emergencies. These clients are contacted by the Specialized Care Unit (SCU), a Police Officer, a member of Berkeley Mental Health's Mobile Crisis Team, or other mental health professional. If it is determined that the patient requires further treatment and transport by ambulance, the City's contracted 5150 transport provider is requested and responds.

According to the California Code of Regulations (CCR), 5150(a) "When a person, as a result of a mental health disorder, is a danger to others, or to himself or herself, or gravely disabled, a peace officer, ...designated members of a mobile crisis team, ...may, upon probable cause, take, or cause to be taken, the person into custody for a period of up to 72 hours for assessment, evaluation, and crisis intervention, or placement for evaluation and treatment in a facility designated by the county for evaluation and treatment...".

#### BACKGROUND

Since 2002, the private ambulance provider for the Alameda County exclusive operating area (EOA) provided transport for non-emergency mental and behavioral health patients in Berkeley and the other three cities that have exclusive operating areas (EOA) for ambulance service in Alameda County. The four city EOAs correspond with the fire departments that started providing emergency ALS ambulance response and transport prior to 1980.

In 2017, the Alameda County Local Emergency Medical Services Authority (LEMSA) conducted a Request for Proposal (No. EMS-901017 Emergency Ambulance Service, 911 Response, ALS Transport) to select a private ambulance transport provider that would provide emergency medical transport services to Alameda County except Berkeley, Alameda City, Albany and Piedmont. When the new contract for Alameda County went into effect on July 1st, 2019 the City was forced to assume responsibility for the transport and cost of transport for mental and behavioral health patients in Berkeley as this requirement was removed from the RFP by the LEMSAs.

### Berkeley Mental Health Transport Contract History

On March 21, 2019, a Request for Proposal (RFP) for Mental Health Patient Transport, Specification No. 19-11305-C, was issued by the City of Berkeley. The RFP closed on April 23, 2019. One (1) bid was received and reviewed by staff and was found to meet the requirements of the RFP and the contract was awarded to Falck Northern California. This contract will expire on December 31, 2024.

The Fire Department has long-term plans to expand its ambulance fleet, and hire staff to be able to handle 5150 transports internally. This expansion will occur when the ambulance deployment center is completed that will be housed in the new Fire Department Headquarters (Fire HQ). There is no space to house additional personnel or ambulances in any current facility. The process to identify a new Fire HQ process has been underway since 2020. The move in date for the ambulance deployment center is yet to be determined, but is not expected to occur before January 2027.

On April 15<sup>th</sup> 2024, a Request for Proposal (RFP) for Mental Health Patient Transport, Specification No. 24-11662-C, was issued. The RFP closed on May 7<sup>th</sup>, 2024 with three (3) bids that were received and reviewed by staff. Royal Ambulance was found to be the most responsive bidder and is proposed as the City's new 5150 transport provider.

### ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects associated with the subject of this report.

### RATIONALE FOR RECOMMENDATION

The Fire Department is unable to absorb mental health transports with its current fleet and personnel due to existing call volume and 911 system workload, measured using Unit Hour Utilization.

#### **Unit Hour Utilization (UHU)**

Unit Hour Utilization (UHU) is a calculation that measures the amount of time a transport unit is staffed, on duty, and able to provide emergency response and transport of patients in a given period of time. UHU provides a standardized, shorthand way to measure workload levels in the system and to allow comparison to other systems.

A call for service is comprised of the actual time an ambulance would be committed to providing response, triage, treatment, and transport of the patient, and then cleaning the ambulance and completing the required paperwork. During this time, the ambulance is unable to respond to other emergencies or participate in training.

UHU itself is straightforward. It's calculated by dividing the average time per transport by the number of "unit hours," with one-unit hour defined as a fully equipped and staffed vehicle that is in-service and available for calls in the EMS system.

Accurately measuring UHU helps the Department demonstrate that its system is providing the community exceptional value and helps leaders determine when and what type of resources need to be added.

According to a paper written by Daniel R. Smiley who at the time was the Acting Director of the State of California Emergency Medical Services Authority, *“the ambulance industry has utilized the following general scale when evaluating overall unit hour utilization.”* (Smiley, 2011)

A higher UHU means a busier system and lower availability for calls. Poor availability can increase response times, result in lost revenue to the City, and impact employee morale and mental health. Balancing unit availability to the anticipated call volume must be accomplished while maintaining fiscal prudence and system effectiveness.

| Unit Hour Utilization Range           |
|---------------------------------------|
| .55 - .45 – High Utilization          |
| .45 - .35 – Above Average Utilization |
| .35 - .25 – Average Utilization       |
| .25 - .15 – Below Average Utilization |
| .15 - .01 – Low Utilization           |

In 2024 the City completed the first Standards of Coverage and Community Risk Assessment. The contractor, Citygate LLC reported that a unit-hour utilization of 30 percent or higher over *multiple* consecutive hours becomes the point at which other responsibilities do not get completed.

The following table illustrates a unit-hour utilization summary for the City’s ambulances. **M5, M2, and M1 each have several hours of 50 percent utilization and Medic 5 and Medic 2 each have one hour over 60 percent utilization and at least 13 consecutive hours at or above 30 percent utilization.**

Three of the ambulance units exceeded a 30 percent threshold for long periods of time during consecutive daylight hours in the time period studied. Another indication of system saturation became evident when the Department was forced to call for ambulance transport mutual aid over 800 times in calendar year 2023.

| Hour  | M5     | M2     | M1     | M3     |
|-------|--------|--------|--------|--------|
| 00:00 | 22.87% | 17.48% | 12.56% | 9.32%  |
| 01:00 | 22.85% | 15.75% | 19.46% | 9.27%  |
| 02:00 | 17.34% | 16.40% | 17.53% | 7.35%  |
| 03:00 | 13.61% | 16.98% | 10.92% | 4.04%  |
| 04:00 | 8.71%  | 14.86% | 18.86% | 6.86%  |
| 05:00 | 13.06% | 14.24% | 8.26%  | 3.46%  |
| 06:00 | 8.95%  | 13.17% | 16.14% | 2.94%  |
| 07:00 | 25.50% | 34.83% | 33.70% | 12.56% |
| 08:00 | 48.33% | 29.77% | 33.16% | 15.43% |
| 09:00 | 44.71% | 39.61% | 38.97% | 27.70% |
| 10:00 | 48.82% | 45.75% | 42.94% | 33.54% |
| 11:00 | 51.40% | 60.08% | 41.92% | 34.01% |
| 12:00 | 49.60% | 55.48% | 42.34% | 27.61% |
| 13:00 | 51.46% | 44.70% | 54.43% | 42.82% |
| 14:00 | 65.37% | 47.39% | 56.38% | 36.85% |
| 15:00 | 45.36% | 37.26% | 52.01% | 28.99% |
| 16:00 | 52.28% | 54.10% | 44.79% | 36.74% |
| 17:00 | 41.93% | 46.57% | 42.89% | 27.86% |
| 18:00 | 48.24% | 46.87% | 35.45% | 25.95% |
| 19:00 | 31.61% | 34.82% | 42.09% | 19.44% |
| 20:00 | 30.19% | 34.40% | 38.01% | 15.91% |
| 21:00 | 22.49% | 30.65% | 26.78% | 17.02% |
| 22:00 | 26.16% | 22.41% | 23.65% | 11.37% |
| 23:00 | 21.09% | 26.63% | 25.70% | 6.88%  |

### ALTERNATIVE ACTIONS CONSIDERED

1. **Creation of Basic Life Support (BLS) Ambulance Division:** This option appears to be the best solution and requires reorganization of the Fire Department, a long-term project which is underway. The City has already created a new classification for Emergency Medical Condition (EMT) and is in the process of leasing a new Fire Headquarters that will house an ambulance deployment center. The deployment center must be operational prior to program launch.
2. **Transport by an EMT and Mental Health Worker:** The legal authority to place a person on an involuntary psychiatric hold lies with the police, mental health professionals, and physicians. Berkeley Mental Health, the SCU, and Berkeley Police are the primary contacts with the patient population in question. An alternative to EMT ambulance transport is a model that would provide an EMT and a Mental Health Provider, similar to the SCU, that would transport to John George. This adds significant cost due to the higher salaries of licensed mental health providers.
3. **Transport by Berkeley Police:** At times, police officers transport clients on a 5150 hold to John George Pavilion. This option is out of alignment with Council and community priorities and would remove police officers from Berkeley for extended periods of time.
4. **Assumption of Psychiatric Calls by Current Deployment/Staffing:** This option would result in a UHU for the current ambulances that would literally be off the chart according to the industry standards defined by Dr. Smiley, above. The impacts to increasing UHU by absorbing psychiatric transports would result in less time for responding to other emergencies and further exacerbate the City's unbalanced reliance on ambulances mutual-aid. Note that in CY2023 the City requested ambulance mutual aid over 800 times resulting in 211 transports by other ambulance providers.

### CONTACT PERSON

David Sprague, Fire Chief 510-981-3473

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT: ROYAL FOR MENTAL HEALTH AMBULANCE TRANSPORT SERVICES

WHEREAS, the City of Berkeley has exclusive operating area (EOA) rights for ambulance service within Berkeley City limits as it has been providing emergency ALS ambulance response and transport prior to 1980; and

WHEREAS, a subset of ambulance transports are for people experiencing psychiatric emergencies; and

WHEREAS, since 2002, the private ambulance provider for the Alameda County exclusive operating area (EOA) provided transport for non-emergency mental and behavioral health patients in Berkeley; and

WHEREAS, on July 1st, 2019 the City was forced to assume responsibility and the associated costs for mental and behavioral health transports for patients in Berkeley when the Alameda County Local Emergency Medical Services Authority (LEMSA) removed this requirement from the County's private transport provider; and

WHEREAS, in 2019 after the City conducted a solicitation, Falck Northern California was selected as the most responsive bidder and has been providing that service, this contract will expire on December 31, 2024, and

WHEREAS, on April 15<sup>th</sup> 2024, a Request for Proposal (RFP) for Mental Health Patient Transport, Specification No. 24-11662-C, was issued, three (3) bids that were received and reviewed by staff, and Royal Ambulance was found to be the most responsive bidder.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager execute a contract and any amendments with Royal Ambulance (Contractor) to provide the following mental health related transport services for the City from January 1, 2025 to December 31, 2027, in an amount up to \$6,000,000, with an option to extend for three additional years in one-year increments, for a total contract amount not to exceed \$12,000,000.

