



# Pinellas County

## Staff Report

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**File #:** 21-1421A, **Version:** 1

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### **Subject:**

Fifth Amendment to the agreement with Paramedics Logistics Florida, LLC for requirements of ambulance services.

### **Recommended Action:**

Sitting as the Pinellas County Emergency Medical Services Authority, approve the Fifth Amendment to the agreement with Paramedics Logistics Florida, LLC for requirements of ambulance services.

- This contract provides ambulance services throughout Pinellas County for the Safety & Emergency Services Department.
- The Fifth Amendment is for a revised three-year agreement to provide for the stabilization of workforce salary increases for the Contractor's Paramedics and Emergency Medical Technicians, and emergency measures to reduce the use of mandatory overtime.
- The Contractor is experiencing pressure to increase wages due to uncontrollable circumstances creating high turnover rate and shortage of staffing: Paramedics and EMTs both locally and nationally are leaving for higher wages.
- Increased responsibilities, stress and risk caused by COVID-19 is causing healthcare workers, including paramedics, to leave the industry; COVID-19 is expected to remain in the United States for the foreseeable future which is causing a "new normal" for healthcare workers as they pursue work/life balance.
- Provides funding by the Authority to the Contractor for the express purpose of increasing the wages of its operations and support positions (see summary). Such funds shall not be used to provide Senior Management salary increases, benefit increases or bonuses.
- The Fifth Amendment would commence on October 1, 2021 through September 30, 2024 with provision for one additional two-year extension upon no less than a twelve-month written notice from Authority to Contractor.
- The Board of County Commissioners (Board) approved the final negotiated contract with Paramedics Plus, LLC on May 19, 2015 in the amount of \$246,443,154.00 for a five-year term. Additionally, the Board approved the first amendment on November 22, 2016 and the second amendment on March 20, 2018 at no cost. On May 27, 2020, the County Administrator approved the third amendment, removing Tactical Emergency Medical Services from the Agreement at no additional cost. The Fourth Amendment was approved by the Board to exercise the first of two, three-year term extensions and increase on June 23, 2020.

Contract No. 134-0452-P(JJ), in the amount of \$68,159,187 for a revised total contract amount of \$527,399,382; effective October 1, 2021 through September 30, 2024. Authorize the Chairman to sign and the Clerk of the Circuit Court to attest.

### **Strategic Plan:**

Ensure Public Health, Safety and Welfare

2.1 Provide planning, coordination, prevention, and protective services to insure a safe and secure community

Deliver First Class Services to the Public and Our Customers

5.2 Be responsible stewards of the public's resources

5.3 Ensure effective and efficient delivery of county services and support

**Summary:**

This contract provides ambulance services throughout Pinellas County for the Safety & Emergency Services Department. The Fifth Amendment provides for a revised three-year Agreement for the stabilization of workforce salary increases for the Contractor's Paramedics and Emergency Medical Technicians (EMTs) and emergency measures to reduce the use of mandatory overtime. The Fifth Amendment would commence on October 1, 2021 through September 30, 2024 with provision for one (1) additional two (2) year extension upon no less than a twelve (12) month written notice from Authority to Contractor.

The Contractor is experiencing pressure to increase wages due to several uncontrollable circumstances including a high turnover rate due to a reliance on mandatory overtime to meet staffing levels; Paramedics and EMTs are leaving for higher wages available throughout the region; nationally Paramedic and EMT wages are increasing as well. Increased responsibilities, stress and risk caused by COVID-19 is causing healthcare workers to leave the industry; COVID-19 is expected to remain in the United States for the foreseeable future which is causing a "new normal" for healthcare workers as they pursue work/life balance.

The Fifth Amendment provides for the following:

- The Authority acknowledges there is a national backorder of ambulance chassis and vehicles that will impact the timing of vehicle replacements. Contractor shall make good faith efforts to purchase ambulance chassis and vehicles to comply with the terms of this agreement.
  
- Provides funding by the Authority to the Contractor for the express purpose of increasing the wage of its Paramedics and EMTs assigned to field operations, communications, specialty transport teams, field supervision, and communications supervision. Such funds shall not be used to provide Senior Management salary increases, benefit increases or bonuses.
  
- Contractor waives its exclusive right to transport all patients in Pinellas County until such time as the workforce is sufficient in strength and numbers to maintain reasonable workloads, reduce the use of mandatory overtime, additional hours or shifts to meet the scheduled unit hours necessary to meet the anticipated demand for Ambulance Services.

**Background Information:**

The Board approved the ranking of firms for this contract on March 24, 2015 for a term of five (5) years not to exceed \$246,443,154.00. On May 19, 2015, the Board approved the final negotiated contract with Paramedics Plus, L.L.C. The First Amendment to the contract was approved by the Board on November 22, 2016 to institute a non-emergency Basic Life Support Ambulance Program. On March 20, 2018, the Board approved the Second Amendment to the contract acknowledging the acquisition of Paramedics Plus L.L.C. by Paramedics Logistics Florida, LLC. The Third Amendment was approved by the County Administrator on May 27, 2020, removing Tactical Emergency Medical

Services from the Agreement. On June 23, 2020, the Board approved the Fourth Amendment exercising the first term extension and increase due to increased ambulance transport volumes.

**Fiscal Impact:**

Current approved total expenditure (not to exceed) to date: \$459,240,195.00  
Fifth Amendment increase not to exceed: \$ 68,159,187.00

Revised estimated total expenditure (through 9/30/2024): \$527,399,382.00

The total increase is attributed to workforce stabilization funds (\$2.4M in FY22, \$3.6M in FY23, and \$4.8M in FY24), additional year added to contract (\$66.7M excluding workforce stabilization funds), and reconciliation of FY16-20 actuals and FY21-24 projections vs FY16-23 projections in current contract (\$9.4M decrease).

Funding is derived from Ambulance User Fee Revenues in the Emergency Medical Service (EMS) Fund. The costs associated with this amendment are not currently included in the FY22 Proposed Budget. If approved, the costs will be added to the FY22 Tentative Budget. The FY22-27 EMS Fund Forecast reflects compliance with the minimum policy reserve level of 25.0% through the forecast period with this amendment.

**Staff Member Responsible:**

Jim Fogarty, Director, Safety & Emergency Services  
Merry Celeste, Division Director, Purchasing & Risk Management, Administrative Services  
Joe Lauro, Director, Administrative Services

**Partners:**

N/A

**Attachments:**

Fifth Amendment