

## City Council Regular Meeting

I.7

Meeting Date: 10/21/2019

Recommended Scott Miller, Fire Chief  
by:

Prepared by: Scott Miller, Fire Chief

Finance Celina Morris

Director

Review:

City Attorney Brett Wallace

Review:

Approved by: Larry Rains

Date 10/26/2018

Submitted:

Type of Resolution

Action

Requested:

**SUBJECT:**

Approve CON Application to AZDHS

**RECOMMENDATION:**

It is recommended that the Mayor and City Council authorize the City Manager to execute a contract with the J Vincent Group for document preparation for submission of a Certificate of Necessity (CON) Application to the Arizona Department of Health Services for a ALS & BLS CON for the City of Casa Grande.

**DISCUSSION:**

Back in late 2017, City Council directed staff to conduct an Ambulance Feasibility Study through the J Vincent Group. This was the first step in determining whether or not to apply for a CON. That feasibility study was presented to our City Council in a study session in June 2018. The study analyzed all the costs that would be incurred as the result of the City providing ambulance service in accordance with Generally Accepted Accounting Principles. That included all incremental direct costs that would be created by adding these services as well as the allocation of existing indirect costs.

The next step is to prepare a CON application and supporting documents as required by the AZDHS. Preparation of Ambulance Cost and Recovery Report (ARCR) pro forma financial information. Provide methodology as required by the AZDHS during the administrative and substantive review process. This process will take approximately six months to complete and file with AZDHS. The J Vincent Group would be our consultants for the CON Application.

This project does address one of our focus areas in the City's Strategic Plan, "Quality of Life". This CON allows our residents to receive a higher level of care through strategically located and dedicated paramedic ambulances in the City of Casa Grande. Our paramedics will provide continuity of patient care from the home to the hospital.

#### FISCAL IMPACT:

During fiscal 2019/20 the City budgeted \$30,000.00 for the CON proposal to file a completed CON Application along with supportive documents to the AZDHS. This amount is budgeted in the Fire Administration Budget under line item 101-63-101-100-7109-10000 Consultant Services. 50% of the fee will be invoiced upon contract signing and the remainder will be invoiced upon delivery of final draft of application. Once the CON packet is completed and submitted it will be reviewed, a notice of hearing will be issued, the actual hearing can be from 12-18 months and the ALJ issues a decision. The final step is the post decision by AZDHS. During this hearing process an attorney will be representing us and utilizing our consultants, depending on the length of the process, we could see legal fees of up to \$500,000.00.

#### ALTERNATIVES:

To approve or deny.