

COVER LETTER

Chief Scott Miller
The City of Casa Grande Fire Department
377 E. Val Vista Blvd
Casa Grande, Arizona, 85122

April 7, 17

Dear Chief Miller,

The James Vincent Group (JVG) is pleased to submit the attached proposal in response to your conversations with Roy Ryals, and the City of Casa Grande's desire to procure professional services for a city operated ambulance service analysis.

By working with the JVG team, the City will be provided objective information regarding the feasibility of the following three scenarios: City provided Advanced Life Support (ALS) and Basic Life Support (BLS) 9-1-1 calls and transports, City provided ALS and contracted BLS 9-1-1 transports and continued contracting of all transport services by a private provider. Our approach is designed to provide you with a comprehensive review of the options for cost-effective solutions that increase levels of service, financial stability, workforce efficiency and reliability. Having worked on numerous successful Certificate of Necessity projects throughout the state, we have found the feasibility study discussed in this proposal is an important step for the review of the project. The study will enable the City of Casa Grande and its leadership to examine the different options and alternatives and make decisions on the future path of this project based on reliable and independent information.

JVG has an expert understanding specific to the Arizona fire, ambulance and EMS environment. We have recently worked on similar fire ambulance service analysis and Certificate of Necessity projects for the City of Chandler, City of Goodyear, City of Tempe, City of Gilbert, City of Peoria, Green Valley Fire District, City of Mesa, Northwest Fire District, Sun City West Fire Department and Timber Mesa Fire District. Our local services assisting Arizona fire agencies span across half a decade and we currently provide external finance director services to over twelve (12) Arizona fire districts. We have a strong commitment to the Arizona fire and ambulance community and look forward to helping the City of Casa Grande with this critical project.

Our experience has shown that a multi-faceted team provides the best results in projects of this nature. This allows each member of the team to focus on their specific area of expertise. With this philosophy in mind, we will team with Roy L Ryals Consulting for this project. We have worked closely with Mr. Ryals during many of our ambulance feasibility studies and our seamless approach will be advantageous to the City of Casa Grande.

- Mr. Ryals brings over 40 years of EMS experience and has extensive experience in feasibility studies similar to the City of Casa Grande project. In the last year he has worked on multiple similar studies for government entities. Not only does he bring vast experience on government consulting, he has held numerous Senior Level Administrative positions with both Rural/Metro and Southwest

Ambulance. Mr. Ryals has authored much of the ambulance regulatory framework both at the Legislative and Administrative level and brings an intimate knowledge of the regulatory process. This detailed knowledge of not only the EMS environment but specifically nongovernmental EMS is a valuable asset during this project.

Our experience has also shown that projects of this nature are most successful when using a collaborative approach. To help drive this collaboration, our team of consultants will communicate with the City's leadership throughout the process. We will help guide decisions, identify priorities for the initiative, and can help build and maintain support for the project. You are our partners and bring to the table a deep understanding of the requirements. We are grateful for all constructive input to advance the goal of improved services.

We welcome the opportunity to discuss the specifics of our proposal further and look forward to working with you and your team throughout this process. Should you have any questions regarding this response, please contact me at the information below or Roy Ryals at the following number 480.747.7415. We look forward to working with you on this exciting and challenging initiative.

Best regards,



Ben Archer Clowes
Managing Partner
The James Vincent Group
ben@jamesvincentgroup.com
www.jamesvincentgroup.com
Office: 480.422.9777
6263 North Scottsdale Road, Suite 138
Scottsdale, AZ 85250

SCOPE OF WORK

After talking with Chief Miller it is clear that the City of Casa Grande is searching for an expert consulting team to help support them during this project. JVG has assisted multiple agencies throughout Arizona with similar services and have an unrivaled experience in fire ambulance analysis. Some of the agencies include but are not limited to;

- City of Chandler Fire, Health and Medical
- City of Goodyear Fire Department
- Tempe Fire Medical Rescue Department
- Green Valley Fire District
- Mesa Fire and Medical Department
- Northwest Fire District
- Peoria Fire Department
- Sun City Fire Department
- Timber Mesa Fire and Medical District

The following approach and scope of work is designed to provide you with a comprehensive cost/benefit analysis with recommendations on the feasibility and sustainability of an ambulance service owned and operated by the City of Casa Grande. Our analysis will address the following three scenarios, including anticipated start-up and operating costs:

- City provided Advanced Life Support (ALS) and Basic Life Support (BLS) 9-1-1 calls and transports;
- City provided ALS and private provider contract for BLS 9-1-1 transports; and
- Status Quo: Continue to contract out all transport services to a private provider

This study will enable the City of Casa Grande to make decisions based on expert, comprehensive, reliable and independent information.

Project Planning Stage

Meet with the City's team in a group setting to discuss and document the vision of proposed service and its potential impact on the City and perceived concerns or challenges. Each agency is unique and the make-up of this group varies from project to project. We envision City representatives from the following Departments – Fire Department, City Manager's Office and Finance, however, we understand the composition of the group may change depending on availability.

After we have a clear understanding of your goals and vision we will proceed to the data collection phase. During this phase we gather information concerning the current environment. We accomplish this by working closely with you and your team to gather the required data.

Data Collection Stage

Meet with members of the Fire Department to document an operational overview including:

- Number of Ambulances
- Proposed staffing plan for ambulance services provided by the City
- Deployment Plans for ambulance services provided by the City
- Personnel and staffing configuration
- Response time performance
- Incumbent provider performance history and response data
- Call volume history
- Transport history of ALS and BLS transports
- Growth projections

Obtain City financial information including:

- City financial information including current City Audit and City financial reserves
- Fire Department operating budget
- Fire Department personnel cost
- City financial projections
- Income provided under current contract for ambulance transportation

Obtain City Department impact information including:

- Indirect personnel costs relevant for accurate cost allocation to the proposed ambulance operation

Obtain information on:

- Medicare reimbursement rates for ambulance transportation in the City of Casa Grande
- AHCCCS reimbursement rates for ambulance transportation in the City of Casa Grande
- Document and analyze the City of Casa Grande's demographics and their potential impact on each of the three potential scenarios and the insurance payer mix.
- Ambulance billing services including rates charged, level of billing effort and collection percentages
- Discuss the current Legislative actions having an impact on the CON regulations as well as the Affordable Care Act or other regulatory changes.
- Analyze and document the impacts of potential operational changes, changes to private provider ownership and changes to the number of transports and their financial implications.

Current provider:

- Gain input from the City of Casa Grande in regards to the perceived challenges and advantages faced with the incumbent provider
- Obtain and analyze the Ambulance Revenue and Cost Report information on incumbent ambulance provider including collection rates, cost of service, etc.

Draft Initial Report for City review - After all the information has been collected the JVG team will spend time preparing a draft report. Through a process of review, assessment and feedback, we will complete a detailed analysis and recommendations on the feasibility and sustainability of the City of Casa Grande owning and operating an ambulance transport service. The analysis will focus on the three scenarios – City provided ALS and BLS 9-1-1 calls and transports, City provided ALS and private provider contracted BLS 9-1-1 transports and continued contracting of all transport services by a private provider.

The draft report will provide recommendations for the future, economic pros and cons between the different recommendations and maintaining the status quo and a comprehensive 5 year financial outlook for each model. To achieve this, our team will compile operational plans, financial metrics of the City, reimbursement information, and regulatory requirements into an overview of the expected financial and operational requirements to initiate and provide ambulance services in the City. We will then compare the output of the operational and financial analysis to the existing financial structure of having the private provider continue to provide services.

At the completion of the draft report the JVG team will meet with the City's team in a group setting to present and discuss the findings and recommendations. This meeting will be used to discuss the draft findings and verify that we have captured all of your goals. The JVG team will then deliver a final version of the study to the City.

Specific Deliverables:

- A cost/benefit analysis and recommendations on the feasibility and sustainability, of a transport service that would be owned and operated by the City of Casa Grande. The analysis will focus on three scenarios:
 - City provided ALS and BLS 9-1-1 calls and transports;
 - City provided ALS and private provider BLS 9-1-1 transports; and
 - Status Quo: Continue to contract out all transport services to a private provider
- Document the current environment through review of the incumbent provider's public document and input from the City of Casa Grande
- A five year financial analysis and projections of the City providing ALS and BLS 9-1-1 calls and transports
- A five year financial analysis and projection of the City providing ALS and private provider contracted BLS 9-1-1 transports
- Document the pros and cons of continuing to contract out all transport services to a private provider.

- Options for billing for ambulance transportation including identification of reputable providers of billing services, average cost based upon projected transports and insurance and payer mix.
- A review and discussion of any Legislative changes that may have an impact on the CON process in the State of Arizona.
- A review of any proposed operational changes that may have an impact on the financial performance of the proposed ambulance service.

The City may request, at its sole option, that JVG present findings to the City Council in a form that delivers facts and weighs the pros and cons of each of the three options evaluated. This will not be included in the not to exceed amount discussed below and will be charged at the hourly rate.

PROPOSED TIMELINE

JVG estimates that based upon the scope of this project and the resources needed, the overall project can be completed within a 120 day time frame from the date of award. This estimate is made on the assumption that we will start the project within 14 calendar days after the contract is signed. Our estimated timeline is predicated upon the availability of City of Casa Grande staff to meet with our consultants and the timely provision of relevant information on the City’s current and proposed operational state.

Start Date	End Date	Task	Duration (Days)
05.01.17	05.01.17	Contract signing	0
05.01.17	05.15.17	Meet with City's team to discuss and document the vision of proposed solution (2 weeks)	0-14
05.15.17	06.28.17	Data Collection Stage (7 weeks)	14 - 60
06.28.17	07.31.17	Draft Report (4 Weeks)	60 - 90
07.31.17	08.16.17	Review the draft with the City of Chandler’s team appointed by the City Manager (2 weeks)	90 - 105
08.16.17	08.30.17	Deliver final report (2 weeks)	120

FEE SCHEDULE

In consideration for the Scope of Work, the City of Casa Grande shall pay JVG an amount not to exceed \$34,750.00. This fee is inclusive of all costs. 50% of the fee will be invoiced upon contract signing and the remainder will be invoiced upon delivery of the final draft.

Should the City elect to engage the Consultant for additional, related services, fees for those services shall be based on a rate of \$300.00 per hour per consultant.