Fire Chief Wraps His Legacy around Ambulance Contract

By Nick Marnell

Contra Costa County Fire Protection District chief Jeff Carman reflected on a painful time in the district.

"Fourteen months ago, there were people saying we can't even run a fire department," said the chief. "So how were we going to run an ambulance service?" With the unanimous approval by the Board of Supervisors Nov. 17 for the district to provide county emergency ambulance service, most of Contra Costa County is going to find out how beginning Jan. 1.

Carman joined the struggling fire district in 2013 with a mandate from his board to uncover new revenue sources. "The ambulance contract was the low-hanging fruit," he said. The contract with American Medical Response, the current county ambulance provider, ends in December, and with the possibility of additional government funds available to a public entity for emergency transport, the chief said pitching for the ambulance contract presented an opportunity he could not pass up.

"I started thinking I could do the whole thing myself," said Carman. "But consultants convinced me it wouldn't be worth the trouble. Buying 40 ambulances, buying 40 monitors at $35,000 each, gurneys at $20,000 - getting all of that assembled, training a workforce, versus buying an incumbent that knew the county and how to run everything? And do the supervisors have the stomach to tell AMR goodbye? Joining with AMR was the way to go. We benefit from their incredible buying power, plus a labor force that's knowledgeable. And they're cheaper." Citygate Associates LLC, a consulting firm, concluded that the district could net nearly $2 million in the first year of the ambulance contract.

A potential upside to the deal is that ConFire will be able to collect government reimbursement for emergency transport payable to only public entities, though the dollar amount remains unclear and was not included in financial projections. A possible downside is the future of the Affordable Care Act. "I've gotten a peek behind the curtain at AMR," said Carman. "The depth they have in the EMS arena is incredible. I feel comfortable that nothing emanating from Capitol Hill will surprise us." ConFire will pay AMR $200 million to provide ambulance service over the five years of the contract. The district will dispatch the ambulances, eliminating the duplication of resources often seen on medical calls. But the chief said that the dispatch centers will not be completely merged until Feb. 1. "Moving their computer system onto ours, the costs of new hardware. Until (February), that will be the one piece missing, where we can cut down the dispatch time," said Carman.

The regions of Contra Costa County that will not be covered by the ConFire-AMR Alliance are those served by the Moraga-Orinda Fire District and the San Ramon Valley Fire Protection District, which provide their own ambulance service. The district projects that ambulance response times will decrease an average of 30 seconds under the new system.

The chief said one of the toughest challenges of the merger was getting the new billing contractor aligned. "The AMR system has to auto-feed into the Intermedix system. But it will be done by Jan. 1," said Carman. Advanced Data Processing, Inc, a division of Intermedix, will provide billing for district emergency transport services for an $8.5 million fee through the life of the 5-year contract.

"What makes me nervous? That so many people are watching. I get calls from Florida, Georgia, Ohio, looking at this," said Carman. Santa Clara and Alameda counties are also eyeing the ConFire business model, which is the first of its kind in California, according to county administrator David Twa. "But I'm very comfortable with the risk we're taking. Nothing really changes for the public," said the chief.

"It's a remarkable accomplishment," said Supervisor Mary Piepho.

Carman agreed that securing the ambulance contract was a career accomplishment, but he hesitated to do a bat flip just yet. "Let me get six months under my belt and then, yeah, I'll agree that this was the way to go."
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