

ORDINANCE 7-2019

AN ORDINANCE APPROVING AN EMERGENCY MEDICAL SERVICE AND AMBULANCE AGREEMENT BY AND BETWEEN THE CITY OF OWENSBORO, DAVIESS COUNTY FISCAL COURT, AND MERCY AMBULANCE OF EVANSVILLE D/B/A AMR AMBULANCE SERVICE, THE EXCLUSIVE COUNTY-WIDE PROVIDER OF EMERGENCY AMBULANCE SERVICES FOR THE OWENSBORO-DAVIESS COUNTY CENTRAL DISPATCH SYSTEMS.

WHEREAS, the Daviess County Fiscal Court and City of Owensboro's current ambulance provider Procarent, d/b/a Yellow Ambulance, notified the governments pursuant to their contract, that the provider intended to discontinue its emergency ambulance service in Daviess County, effective July 1, 2019. The City and County negotiated and approved an exclusive Emergency Medical Service and Ambulance Agreement by and between the City, County and Mercy Ambulance of Evansville, Inc., d/b/a AMR Ambulance; and

WHEREAS, the City, Daviess County, and Mercy Ambulance of Evansville, Inc., d/b/a AMR Ambulance wish to enter into an exclusive service agreement approved by Daviess County Fiscal Court and the City of Owensboro, based upon a service agreement negotiated by the City and County and Mercy Ambulance; and

WHEREAS, the contract includes improved interoperability between 911 and EMS dispatch centers, allowing the City and County to add transport services as a backup to primary service, additional performance standards and quality indicators, strengthening enforcement procedures, tracking employee clinical performance and training requirements, requiring National Incident Management System compliance, a

complaint review process and an adjustment to the rates that Mercy Ambulance of Evansville, Inc., d/b/a AMR Ambulance may charge.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF OWENSBORO, KENTUCKY, AS FOLLOWS:

Section 1. That the Mayor of the City of Owensboro, Kentucky, be, and he hereby is, authorized and directed to execute an agreement with Daviess County and Mercy Ambulance of Evansville, Inc., d/b/a AMR Ambulance, whereby Mercy is awarded the exclusive right to operate pre-hospital emergency medical ambulance services under the City and County's license and Owensboro-Daviess County Central Dispatch Systems, for an initial term of one (1) year with automatic renewals for up to ten (10) one year terms, on such terms and conditions as set forth in said agreement, a copy of which is attached hereto and incorporated by reference herein.

Section 2. That the Mayor, City Manager, Assistant City Manager, City Attorney and appropriate staff are hereby authorized to execute any and all other documents deemed necessary to facilitate the requirements as set forth herein.

Section 3. All other Ordinances, Municipal Orders, or parts thereof, in conflict herewith, are to the extent of such conflict, hereby repealed, and this Ordinance shall take effect immediately upon its final passage, approval, and publication as required by law.

INTRODUCED AND PUBLICLY READ ON FIRST READING this 24th day of April, 2019.

PUBLICLY READ AND FINALLY APPROVED ON SECOND READING, this the 1st day of May, 2019.

Thomas H. Watson, Mayor

ATTEST:

Beth Cecil, City Clerk

**County of Daviess, Kentucky and City of Owensboro,
Kentucky Emergency Medical Service and Emergency
Transport Services Agreement**

AGREEMENT SPECIFICATIONS

THIS EMERGENCY MEDICAL SERVICE AND AMBULANCE AGREEMENT,
entered into this _____ day of _____, 2019 by and between
the COUNTY OF DAVIESS, acting by and through the Daviess County
Fiscal Court, Owensboro, Kentucky, ("County"); the CITY OF
OWENSBORO, KENTUCKY, acting by and through the Board of
Commissioners, Owensboro, Kentucky, ("City"); and Mercy Ambulance
of Evansville, Inc. d/b/a AMR located at 950 E Virginia St.,
Evansville, IN("Contractor").

WITNESSETH: In order to protect the health, safety, and
welfare of their citizens by providing professional, competent,
and cost effective pre-hospital emergency medical services, the
City and County jointly sought out a third party sole provider of
Ambulance Services; and

WHEREAS, the award of an exclusive contract for the operation
of Emergency Transport Services is made under the City and County's
Type 1 state license and 911 emergency dispatch systems in
accordance with the provisions of an Interlocal Agreement between
the City and County, KRS 45A.370 and KRS 65.710; and

WHEREAS, AMR submitted a proposal and was selected to be the
Contractor to provide the City and County with Ambulance Services.

NOW, THEREFORE, in consideration of the above premises and the terms and conditions set forth the parties mutually agree as follows:

Section 1: Definitions:

For purposes of this Agreement, the following words and phrases shall have the meanings respectively ascribed to them by this Section:

(A) "Advanced Life Support or ALS" means the certification level of the ambulance unit, as staffed with personnel at a certification level known as "paramedic" contemplated and defined in Kentucky EMS regulations set forth in 202 KAR 7:501, and as from time to time may hereafter be amended.

(B) "Ambulance" means any vehicle that is designed for and is equipped to transport sick and injured patients on a cot, isolette, or litter to or from health care facilities, and which meets the standards of a Class I Ground Ambulance Provider set forth in Sections 7 and 8 of 202 KAR 7:501, and as hereafter amended. Ambulance shall not include air ambulance service.

(C) "Co-Administrators" means the Daviess County Judge Executive and the Owensboro City Manager or their respective designees, each of whom, in consultation with the Medical Control Authority (MCA), shall oversee the administration of this Agreement within their respective jurisdictional boundaries.

(D) "Communications Center" means the Contractor's designated facility from which all emergency ambulances servicing Owensboro and Daviess County shall be dispatched and controlled.

(E) "Communications Interoperability" means the ability of field units and agencies to talk and share data in real time, when needed and authorized.

(F) "Complaint" means a situation in which a complainant alleges unsatisfactory or unacceptable service or conduct. A complaint shall be in writing in order to mandatorily move forward with an investigation under this Agreement.

(G) "Contract Service Area" means the area within the boundary of the City of Owensboro and Daviess County, Kentucky.

(H) "Contractor" means Mercy Ambulance of Evansville, Inc. d/b/a AMR.

(I) "Emergency Call" means any request through the Owensboro-Daviess County Central Dispatch or other means for ambulance services for any accident or situation that may pose a threat to human life, limb, or vital organ, and that may require immediate response by an ambulance.

(J) "EMS Interlocal Cooperation Agreement" means the agreements by and between the City of Owensboro and Daviess County, pursuant to KRS 65.210, et seq., providing for pre-hospital emergency medical services through a contract provider, and further providing for the monitoring, supervision, and enforcement

of pre-hospital emergency medical performance through a ten (10) member Medical Control Authority (MCA) created and appointed by the City and County. The EMS Interlocal Cooperation Agreement consists of the following four (4) documents in Exhibit #6:

(1) Interlocal Cooperation Agreement between the City of Owensboro and Daviess County, Kentucky for Emergency Medical Ambulance Services, dated February 17, 1998;

(2) Addendum to Emergency Medical Service and Ambulance Agreement, dated July 2, 2002; and

(3) Amended Interlocal Cooperation Agreement between the City of Owensboro and Daviess County, Kentucky for Emergency Medical Ambulance Services, dated April 7, 2005.

(4) Backup Ambulance Service Provider and Financial Service Agreement dated -April/May 2019.

(K) "Emergency Medical Personnel" means those persons as defined and described in the Kentucky EMS statutes and 202 KAR, Chapter 7, as amended, who shall have the authority to perform the acts described including emergency medical technicians and paramedics.

(L) "First Responder" means any person, fire department vehicle, police vehicle, or non-transporting ambulance unit capable of, and authorized to provide appropriate first responder service, under a first responder program authorized by the City or the County and the Contractor's Medical Director.

(M) "Medical Control" means the direction given ambulance personnel by the Medical Director or other authorized base station physician through direct voice contact, with or without vital sign telemetry, in accordance with medical protocols approved by the service Medical Director and the Kentucky Board of Emergency Medical Services (KBEMS).

(N) "Medical Director" means the licensed physician hired by Contractor and approved by the MCA to establish, monitor compliance with, and provide appropriate training for the medical and clinical protocols approved as per Section 1(M) of this Agreement, KRS 311A.025(3), and 202 KAR 7:801, and as amended.

(O) "Medical Protocol" means any diagnosis- specific or problem-oriented written statement of standard procedure, or algorithm, approved by the Medical Director and/or KBEMS as the normal standard of pre-hospital care for a given clinical condition.

(P) "Mutual Aid Agreement" means a written agreement between two (2) or more providers of Ambulance Services, or Non-Transport Advanced Life Support Provider, whereby the contracting parties agree to lend aid to one another under conditions specified in the contract as to quality of care and medical accountability.

(Q) "NFPA 1710" refers to the National Fire Protection Association 2016 edition (and subsequent editions) of the NFPA Standard Number 1710 which sets forth requirements for Fire

Suppression and Emergency Medical Services. In particular referenced are EMS related issues as it pertains to: 1. EMS Response Times; 2. EMS Response Deployment; and 3. EMS required staffing.

(R) "Performance Penalty" means a monetary amount that may be assessed by the Co-Administrators or MCA based on the terms of the Agreement. Contractor shall pay all performance penalties to the MCA Board within thirty (30) days of the assessment. The Daviess County Fiscal Court shall hold such penalties in a separate account, and disburse such funds as recommended by the MCA. MCA, with final approval from the Co-Administrators, shall use the revenue from performance penalty fees to benefit EMS in Owensboro-Daviess County as determined by the MCA Board as a whole, to include the offset of subsidy funds shared by the County and City as per the Interlocal Agreement.

(S) "Pre-Hospital Emergency Medical Services or EMS" means medical treatment and care that may be rendered at the scene of any medical emergency or while transporting any patient in an ambulance to a medical facility, whether an emergency or non-emergency, including ambulance transportation between medical facilities.

(T) "Response Time" means the actual time elapsed between receipt of the call (which means all necessary information to respond to the call, e.g., address, staging location, etc.) by the

AMR Communications Center that an ambulance is needed at a given location, and the arrival of that ambulance (including required equipment and personnel as per this Agreement) at the scene or location.

Section 2: Scope of Services to be performed by Contractor:

(A) Contractor is authorized, upon commencement of the term of this Agreement, to have exclusive access to all requests for Ambulance Services received and dispatched by the public communications personnel through the Owensboro-Daviess County Central Dispatch. Contractor shall be solely responsible for dispatch and response to all emergency requests for ground medical and ambulance transportation services originating within the City of Owensboro and Daviess County, on a twenty-four (24) hour, seven (7) days per week, 365 days per year basis, in accordance with the terms and conditions contained herein and under the authority granted by the Interlocal Cooperation Agreement) and their respective 911 ordinances. However, this shall not preclude the City and/or County, or Owensboro Health from establishing a contingency arrangement in the form of an agreement or other form, with another contractor, or establishing its own Ambulance Transport Service as a back-up to, or in support of, the Contractor during incident surge, disaster, or Contractor failure to perform. The Contractor shall provide Ambulance Services in Daviess County and the City

of Owensboro under the Certificate of Need (CON)/License issued to the City and County as part of the Memorandum of Agreement. In the event of a material breach, the City and County, as owners of the CON/License for Level 1 Emergency Services, may utilize its CON/License for transport of Level 1 Emergency Services patients by contracting or sub-contracting with other service providers when authorized by law, required by circumstances, and approved by the KBEMS.

(B) The City and County have been divided into zones based on response times. Contractor shall effectively deploy ALS ambulance personnel and equipment in a manner that complies with response requirements of this agreement. These service zones are designated on a Contract Service Area map (Exhibit #1) which Contractor, City and County shall keep on file and available for public inspection.

(C) Contractor shall provide all personnel, vehicles, materials, equipment, contract labor, supervision, and all other items necessary to provide quality Ambulance Services within the City and County, including those basic services in accordance with this Agreement and the laws of the Commonwealth of Kentucky. Non-emergency, convalescent transportation, including wheelchair runs, are specifically excluded from the exclusivity granted under this Agreement. Contractor may provide non-emergency, and convalescent transportation, including wheelchair runs.

(D) Use of City/County License: Contractor is authorized and directed to operate pre-hospital emergency medical and ambulance services under the authority of, and pursuant to, the CON/License issued to the County and City by the Commonwealth of Kentucky. City and County grant this authorization to Contractor exclusively and Contractor shall not loan, lease, encumber, sell, assign, or transfer this authorization to any other person or legal entity.

(E) Use of Trade Name; Equipment Required for Vehicles: Contractor shall provide all contract services under the trade name "Owensboro-Daviess County Emergency Medical Services," which shall be prominently displayed on all ambulance vehicles, equipment, and uniforms appropriate for that purpose. If first approved by the City and County, Contractor may display or inscribe its name, corporate logo, insignia, unit number, or other recognized trade name on its vehicles, equipment, or uniforms. The dimensions and scale of said trade name, logo, insignia, or unit number in proximity and scale to the principal trade name designated herein shall be a much smaller design. The City and County will approve the design utilized by the Contractor prior to start-up. Any significant changes will require subsequent approval.

All ambulance vehicles used by Contractor shall be equipped with appropriate warning devices as required by KRS 189.920(1) and

shall prominently display the 911 emergency telephone number. All vehicles shall meet the minimum emergency vehicle and equipment ambulance requirements established by Kentucky Revised Statutes and 202 KAR 7:501, as amended.

Section 3: Performance Standards:

In furnishing pre-hospital emergency medical and transport services pursuant to this Agreement, Contractor shall meet or exceed the following minimum standards of performance:

(A) Contractor shall furnish vehicles and equipment that meet or exceed the standards specified by 202 KAR 7:501 and all other standards in Section 2-3, of Exhibit #2.

(B) Contractor shall provide emergency medical ambulance service regardless of a person's financial ability to pay and each ambulance service call rendered by Contractor shall be billed directly to the responsible party, i.e., insurance company, Medicare, Medicaid, or patient, for which the service was performed. Contractor shall accept Medicaid and Medicare assignments and shall accept the Medicare and Medicaid published rates, including all deductibles and co-payments, as payment in full for services rendered to Medicare and Medicaid patients. Either ALS or BLS rates will be applied in accordance with Federal Guidelines.

(C) Deployment/Response Time: Contractor's proposed staffing and scheduling is attached as Exhibit 3 and referred to as "Contractor Minimum Staffing." NFPA 1710 Chapter 5, Section 5.3.3.3.1 for EMS Service Deployment requires that the agency adopt a deployment delivery objective based on time standards. The Contractor will meet these standards by complying with this section and Exhibit 3. NFPA 1710 Chapter 4, Section 4.1.2.1 sets forth EMS response time standards. The City, County and Contractor agree to amend the Standard as set forth in this agreement. National Standards require that ALS ambulance services measure its Response Time based on a "minimum of a 90% of the time" on a quarterly basis. City and County shall apply this standard and measure Contractor's response over each quarter (every three months) of the agreement. Contractor's arrival time reported to the MCA Board shall be the time when a Paramedic arrives for an ALS dispatch for service. Throughout the term of this contract, Contractor's response time reliability on requests for service originating from within the County-wide service area shall be reported to the MCA Board on a monthly basis but shall be measured quarterly to meet or exceed the 90% quarterly standard stated above within the following response time performance standards:

- Zone 1: less than 7 minutes;
- Zone 2: less than 10 minutes;
- Zone 3: less than 14 minutes;

- Zone 4: less than 18 minutes;
- Zone 5: less than 20 minutes;
- Zone 6: less than 20 minutes;

The Zone map is attached as Exhibit #1. Notwithstanding, the parties shall use the first four (4) quarters of this Agreement as a modeling period to determine optimal system deployment, response times and/or zones. The parties shall agree on permanent changes within fifteen (15) days of the end of the modeling period. No penalties or breaches shall be assessed during the modeling period.

(D) Contractor shall arrive at the designated location within the Response Times listed in Section 3(C), beginning with the time the call is received from its Communications Center. Contractor shall not count additional patients at the same location as additional calls with a zero response time. The criteria shall be by the location of the call.

(E) Contractor shall meet or exceed all other minimum performance standards consistent and in accordance with related Sections contained in Exhibit #2. The MCA shall monitor compliance with all operational, medical, and/or clinical performance standards established by this Agreement and Contractor shall provide the MCA with quarterly reports regarding response time, performance improvement activities, customer service surveys, and any and all other matters on which it may be directed to report by

the MCA, Medical Director, or Agreement Co-Administrators, as provided in Section 2-12 of Exhibit #2. Contractor shall promptly provide any and all information requested by the Agreement Co-Administrators, the Medical Director, or any member of the MCA Board. Public inspection and disclosure of any written information provided to the City, County, or MCA Board shall be governed by the applicable provisions of the Kentucky Open Records Act in KRS 61.870, et seq. and shall be compliant with current HIPAA requirements.

(F) Contractor shall comply with any and all other terms, conditions, and standards required in KRS 65.710.

(G) Performance Standard Penalty: The Co-Administrators, or MCA may impose performance standard penalties if Contractor fails to meet the performance standards in this agreement.

(H) Emergency Runs: If Contractor exceeds the response time standards provided in Section 3(C) of this Agreement during any quarter of operation the MCA Board may assess a performance standard penalty for that quarter. The penalty for any quarter that Contractor fails to meet the performance standard may be up to an amount equal to 25% of the base rate for each incident for the emergency run(s) which originated within the Contract Service Area exceeding the 10% latitude adjustment, with a maximum penalty of \$1500 per quarter.

(I) Communications Center Operations:

Contractor shall at its sole expense, furnish and maintain a Communications Center staffed and supervised on a twenty-four (24) hours per day, seven (7) days per week, 365 days per year basis, at a location, and in the manner specified in Section 2-13 of Exhibit #2. All requests for Ambulance Services received by City and County public safety personnel shall be forwarded in a timely manner to Contractor's Communications Center. The following performance standards for Communications Center operations shall apply during the term of this Agreement:

(1) All personnel assigned to the Communications Center shall be certified as emergency medical dispatchers (EMD's).

(2) The Contractor shall develop and implement EMD protocols and guidelines for the provision of emergency medical dispatch, compliant with national industry standards, i.e. pre-arrival instructions, approved by the Medical Director and provided to the MCA Board.

(3) At all times during the term of this Agreement, Communications Center staffing shall be sufficient to handle predictable call volumes and demand fluctuations.

(4) All incoming telephone lines used by the public to request Ambulance Services, ring-down lines, radio channels, and telephone lines used to communicate with ambulances and interactive medical direction, shall be recorded at all times. The Communications Center shall retain all such recordings for a

period of not less than one (1) year, and shall make them available to the Co-Administrators, their designees, or the MCA, upon request. The Contractor shall establish a system to back-up the retained recordings.

(5) All Ambulance Run Reports shall be maintained in accordance with KRS 311A.190(1) and 202 KAR 7:540, as amended.

(J) Owensboro-Daviess County Central Dispatch Requirements:
The City and County operate and maintain the joint Owensboro-Daviess County Central Dispatch from which all police, fire, and ambulance requests are dispatched in the Contract Service Area. The Contractor shall comply with the compatibility and interoperability between Contractor's Communications Center and the Owensboro-Daviess County Central Dispatch Center. The Contractor shall comply with interoperability with all first response units for both the County and the City. To clarify this includes the ability of the ambulances to speak to first responder units via radio utilizing Vhf for Daviess County units and 800 MHz for City Units. The Contractor shall allow the Owensboro-Daviess County Central Dispatch to simulcast emergency medical incident dispatches over a designated contractor radio frequency. The Contractor shall, at its expense, insure that the emergency call process is as seamless as possible for the citizen. The Contractor and the Owensboro-Daviess County Central Dispatch shall work

together to ensure the Contractor GIS data base is interoperable and maintained up to date. See Exhibit #2 for additional details.

(K) Level of Care: NFPA 1710 Chapter 5, Section 5.3.3.3.2 sets standards and guidelines for all Advanced Life Support (ALS) Ambulances. The parties agree to amend this as follows: Contractor shall respond to emergency service requests with transport-capable ALS units. Such unit shall be staffed with a minimum of two (2) personnel, with at least one being a paramedic certified by the KBEMS in accordance with 202 KAR 7:401. The second member of the ALS unit responding shall, at a minimum, be a certified Emergency Medical Technician - Basic. See Exhibit 3. The Contractor shall ensure that mutual aid units are staffed by paramedics. The Co-Administrators may waive this provision for and during local, state, federally declared, or other large scale emergencies. If multiple call events require Contractor to supply a paramedic response by unordinary means, such as a separate staff type vehicle, the response time requirement shall be calculated from the time that the paramedic arrives if the ambulance arrives first without a paramedic on board. Thus, the official response time will be the time that the paramedic and ALS equipment are both on site to begin to render treatment along with a transport unit. Such cases shall be reported to and reviewed by the MCA Board and be acceptable only in unusual circumstances, rather than regular occurrences. The practice of responding with only one (1) person

on an ambulance without an immediate response by a second employee is not acceptable as a regular practice. However, it is practical to error on the side of the patient and provide for transport services as quickly as possible. If call volume exceeds, prohibits Contractor from meeting the minimum staffing required by this agreement, in the case of disaster, or in the case of other means as fully discussed and approved by the MCA Board, then, if the contractor utilizes an ambulance with only one (1) employee the MCA Board will not impose a penalty. All calls for service in which only one (1) employee responds on the ambulance shall be promptly reported to the MCA Board for investigation. If the investigation finds that staffing fell below the agreed requirement at the time of the incident, the MCA Board may impose a fine to the Contractor of up to \$150. If a Fire Department provided the second person for the ambulance during either of the above circumstances, each individual Fire Department may settle with the Contractor for this service.

(L) In-service Training: Contractor shall furnish, at its own expense, all in-service training necessary for the satisfactory performance of this Agreement. Contractor shall ensure that a Quality Assurance Paramedic complete a review of the performance of all current personnel to be completed within the first six (6) months of the contract, and at least every even

numbered year thereafter. Contractor shall report the completion of these reviews to the MCA Board as required by this agreement.

(M) National Incident Management System: The Contractor shall comply with the current and updated National Incident Management System (NIMS) standards at its own expense. Contractor shall have until January 1, 2020, to comply fully with this agreement. Contractor shall submit its ongoing compliance reports to the MCA Board at each meeting thereafter.

(N) Personnel Services: Contractor shall conduct background investigations at its own expense on all new personnel hired to work in Contractor's Communications Center or Emergency Services operations. Those employed by the Contractor shall comply with KBEMS Administrative Regulations, as amended from time to time. The Contractor shall keep the results of all employee background checks for the duration of employment for each employee. In accordance with applicable laws, Contractor shall provide the employee background checks to MCA Board when requested by the MCA Board. The MCA Board may only review the employee background checks in executive session of a regular or special called meeting as part of an ongoing personnel investigation or contractor review. Contractor shall provide at least eighty (80) hours of orientation and training, to include clinical education, to all new personnel as part of the on-boarding process.

Section 4: Term of Agreement:

To enable Cities and Counties to fulfill their obligations regarding the public health, safety, and welfare of its citizens, the Kentucky General Assembly authorized Cities and Counties under KRS 65.710 to enter into one-year contracts with private persons or corporations to provide emergency medical ambulance service to its residents. Accordingly, the terms and conditions contained in this Agreement remain in effect for an initial term beginning July 1, 2019 at 12:00 am through midnight on June 30, 2020. Without action, this Agreement shall renew automatically for up to a maximum of ten (10) one-year terms unless terminated earlier. Either party may terminate this Agreement by giving notice in writing to the Agreement Co-Administrators no later than six (6) months before the expiration of the term. However, neither party may terminate this Agreement before the end of the initial one-year term unless otherwise provided in this Agreement.

Section 5: Mutual Aid Agreements; City and County Department Service Provisions:

(A) (1) Contractor shall negotiate in good faith with emergency medical service and ambulance providers serving neighboring counties or designated service areas to establish written Mutual Aid Agreements which will allow efficient coverage and nearest-unit dispatching along the boundaries of surrounding counties. Such Agreements may incorporate reasonable and fair

compensation provisions to adjust for differences in frequency or requests for mutual aid call responses. Units providing mutual aid shall have transport billing rights.

(2) Contractor shall cooperate and coordinate its services with all relevant public safety agencies, including the Daviess County Office of Emergency Management, Owensboro Health, and any other emergency medical first response or medical transport providers at the local, regional, and state levels to assist mass casualty and disaster planning. Contractor shall acknowledge receipt of the Owensboro-Daviess County Disaster plan. The Contractor shall develop and implement plans in compliance with local disaster plans, and such plans shall be submitted to the MCA Board or its designee for review.

(B) City/County Service Provisions: (1) The Contractor and the City and County sheriff, police, and fire departments shall prospectively identify and agree to those types of public safety incidents in which Contractor will provide ambulance standby services. These services shall be provided at no charge to the City or County during agreed-upon incidents such as fire suppression, hazardous material incidents, bomb threats, hostage situations, or other public safety activities. The Contractor shall work within the Incident Command System as identified by NIMS during such incidents. If the Contractor should provide treatment or transport services as a result of said standby

services, the Contractor may bill the patient and/or patient's insurance for services rendered. The Contractor shall supply stand-by services, including first aid services as needed, to Special Events organized, promoted, conducted, or sponsored by the City or County under Chapter 19, Article II of the Owensboro Municipal Code. The Contractor may charge a reasonable fee for other stand-by requests from non-governmental entities as necessary, and shall report such on a quarterly basis to the MCA Board.

(2) Lift Assists: Contractor shall provide lifting, moving, and loading of patients into ambulances. Local County and City Fire Departments providing first response to 911 calls may provide assistance to Contractor for these tasks as needed. Contractor shall make all reasonable efforts to lift, move or load scheduled non-emergency transfers. However, City and County Fire personnel may provide Contractor with assistance for these tasks as needed and if time permits when Contractor cannot lift, load or move the patient. Contractor understands and agrees that if local fire personnel receive emergency calls in the zone those calls shall take priority. Each quarter during the term of this Agreement Contractor shall track these incidents, and report them to the MCA Board.

(3) Fire Department Assistance During Transport: An area First Response Fire Department may provide assistance to the

Contractor during the transport of critical or multiple patients to the medical facility. This may include, within Policy of the Contractor and the First Responder Agency, the driving of the ambulance and/or assistance with patient treatment under the direction of the Contractor's Paramedic. When requested the Contractor shall provide First Responder agencies that agree to such policies annual Ambulance Operations training as approved by KBEMS.

Section 6: Contractor to Provide Medical Director and Control:

(A) (1) Subject to MCA approval, Contractor shall employ or contract with a Medical Director. The Medical Director shall establish, monitor compliance with, and provide appropriate training for, the Contractor's protocols approved by the MCA. The agreement between the Contractor and the Medical Director shall include the medical direction of all other first responder based providers in the City and County at no charge to those agencies.

(2) At the Contractor's expense, Medical Control shall be provided over the clinical practices of paramedical providers as required by state law and regulations. The Contractor shall, in cooperation with the MCA, provide a certification and training program for emergency department medical personnel who wish to provide on-line, interactive medical control via radio contact with Contractor's field personnel. Contractor's personnel shall

seek and accept on-line medical direction only from medical personnel as per appropriate statutes and administrative regulations and in coordination with MCA approved policies for accessing medical control.

(3) The Contractor shall submit to a quality assurance performance review as determined by the MCA Board.

(B) Medical Audit: Nothing in this Agreement shall prohibit the Co-Administrators, their designees, MCA, or the Medical Director, from initiating and conducting any inquiry or audit into the circumstances involving an ambulance run. Such inquiry or audit may include, but not be limited to, medical or clinical control, dispatch services, level of certification on the providing ambulance, number of personnel on the providing ambulance, customer service complaint, of any aspect of the services being performed in order to ensure compliance with this Agreement and its standards of performance. Contractor shall promptly provide any and all reports, documents, accounts, or other information requested in connection with any such investigation or inquiry.

Section 7: Access to Records; CAD and Reporting Requirements:

Contractor shall comply with the following computer-aided record keeping and reporting requirements throughout the term of this Agreement:

(A) Computer-Aided Dispatch Data: At all times, Contractor shall maintain, and train its communications personnel to operate a computer-aided dispatch software program acceptable to the City and County, to document and record every emergency and non-emergency ground request, completed run and response as required by Section 5 of 202 KAR 7:501, as amended. Upon request by the Agreement Co-Administrators, the MCA or the Medical Director, Contractor shall promptly furnish copies of such dispatch records.

(B) Use of Records and Reports: The MCA and Co-Administrators shall use all dispatch data and flexible deployment information supplied by Contractor in periodic reports to monitor Contractor's compliance with the performance standards in this Agreement.

(C) Quality Indicators: At least quarterly Contractor shall provide the MCA Board the current NHTSA (National Highway Traffic Safety Administration) quality indicators as amended. The MCA Board and Contractor in consultation with the Medical Director shall establish mutually agreeable desired performance outcomes and enforcement solutions. If Contractor cannot meet the established performance outcomes and enforcement solutions the MCA Board may initiate enforcement procedures to insure compliance. These enforcement procedures may include counseling, required remedial training, censure, and/or fines up to \$250 per incident for each employee with repeated incidents of non-compliance.

(D) Data Collection: Contractor shall collect data including, but not be limited to, employee clinical performance and training needs analysis, follow-up training based on the needs analysis, cardiac arrest, STEMI, difficulty in breathing, pain management, and detection of Life Threats. The MCA Board may require additional data collection as needed to meet various health care requirements, and Contractor shall collect and provide such data to the MCA Board upon request.

Section 8: Authorized Emergency Medical Ambulance Service Fee:

(A) In accordance with EMS Interlocal Cooperation Agreement, and as consideration for Contractor's Agreement to provide emergency medical and ambulance services in accordance with the standards of performance specified the City and County shall utilize Contractor exclusively for the provision of 911 emergency medical services originating from within the Contract Service Area. Upon commencement of this Agreement, City and County authorize Contractor to charge an emergency medical ambulance service fee, based on the level of service rendered, in the specified amounts, and under the Additional Requirements attached as Exhibit #4, incorporated by reference. The service fees approved shall remain in effect unless and until they are modified as provided. Contractor shall not increase the approved rate

schedule during the initial term of this Agreement, except as provided in Section B below.

(B) Rate Adjustment; Modification of Terms of Agreement; Procedure. Contractor may decrease emergency medical service and ambulance fees at any time during the term of this Agreement without the prior consent or knowledge of the City, County, or the MCA. The Contractor may in its discretion increase the base rates in Exhibit #4 annually beginning January 1st of each year up to five percent (5%). The Contractor shall provide the updated Exhibit #4 to the Co-Administrators. However, Contractor shall submit any other request for an ambulance service rate increase, those over the 5% amount mentioned above, or other modification in any terms of the Service Agreement to the Agreement Co-Administrators, in accordance with the EMS Interlocal Cooperation Agreement. The Agreement Co-Administrators shall promptly proceed to investigate, evaluate, and negotiate when appropriate, the terms of any requested rate increase and/or amendment to any provision contained herein. Contractor shall provide all information deemed necessary to support any proposed rate increase or other modification of the terms of this Agreement. The Rate Schedule shall be attached to the agreement as Exhibit #4.

No rate increases above the 5% Rate negotiated and approved by the Contractor and Co-Administrators, shall take effect until

approved by the City and County as set forth in the EMS Interlocal Cooperation Agreement.

Section 9: Customer Service Billing and Collections:

Contractor is authorized, and solely responsible for billing emergency medical and ambulance service customers for clinical services rendered according to the authorized rate schedule as set forth in Section 8 of this Agreement. Account receivables for emergency ambulance services may be processed by the Contractor or its agents. Contractor shall accept Medicaid and Medicare assignments, and approved charges as payment in full for services rendered to Medicare eligible patients.

Section 10: Insurance and Indemnification:

(A) Insurance Requirements: Throughout the term of this Agreement, Contractor shall meet or exceed the insurance requirements through insurance carriers or a program of self-insurance the following qualifications and requirements:

(1) Contractor shall obtain and maintain at its expense a comprehensive general liability insurance policy from insurance carriers duly authorized to transact business within the Commonwealth of Kentucky and in good standing with the Kentucky Public Protection Cabinet, Department of Insurance.

(2) Amount of Coverage; Insurance Policy Endorsements; Additional Insureds: Proof of insurance shall include standard broad coverages, endorsements, policy limits,

exclusions, expiration dates, and terms of policies. Insurance requirements (whether through primary coverage or excess coverage) shall remain at the levels in effect throughout the term of the Agreement and shall cover all services, vehicles and equipment owned by Contractor or leased by any third party to Contractor, in the performance of this Agreement. All liability coverage shall be on an "claims made basis," with a combined single-limit of \$5,000,000 per occurrence for bodily injury, personal injury, and property damage, and said insurance shall include coverage for loading and unloading hazards. The City of Owensboro and Daviess County shall be added as "additional insureds," as their interest may appear.

(3) Each policy shall endeavor to provide that thirty (30) days prior to expiration, cancellation, non-renewal, or any material change in coverage or limits, that notice thereof shall be given to the MCA and the Agreement Co-Administrators by certified mail. Contractor shall also notify the MCA and Agreement Co-Administrators, in a like manner, within twenty-four (24) hours after receipt of any notices of expiration, cancellation, or non-renewal, in coverage received by said Contractor from its insurer, and nothing contained herein shall absolve Contractor of this requirement to provide notice. Companies issuing the insurance policy, or policies, shall have no recourse against the City,

County, or MCA for payment of premiums or assessments for any deductibles, all of which are the sole responsibility and risk of Contractor.

(B) Indemnification: Contractor covenants and agrees that it will indemnify and hold harmless the City, the County, MCA, and Owensboro Health, their officials, employees, agents, and managers from any and all liability. Contractor's Indemnification requirements provided shall survive the term of this Agreement.

Section 11: Performance Security:

(A) Upon the execution of this Agreement, Contractor shall deposit with the Agreement Co-Administrators an annually renewable performance letter of credit, performance bond, or cash escrow account in a form satisfactory to the Agreement Co-Administrators. The amount of the performance letter of credit, performance bond, or cash escrow account shall be Five Hundred Thousand Dollars (\$500,000.00) and shall be issued by a federally insured (FDIC) banking institution with a debt rating of "1A" or higher by the FDIC, "A" or higher by Standard & Poor's, or "A" or higher by Moody's Investors, or a comparable rating by a future comparable rating system. The federally insured banking institution on which the performance letter of credit or performance bond is drawn must be approved by the Agreement Co-Administrators. The letter of credit or performance security shall be kept in force during the term of this Agreement and during any step-in phase as described

in Section 11(B) below, unless waived by written consent of the City and County.

(B) The performance letter of credit, performance bond, or cash escrow account, whichever is applicable, shall be used to ensure the continuation of the services provided for in this Agreement during the remainder of the term or any renewal thereof; and the transitional operation of the emergency medical ambulance service in the event a "step-in" has been effected by the City and County because of a material breach by Contractor as defined in Section 12 including but not limited to, the cost of take-over by the City and County, including any necessary rebidding, renewal, negotiations, or related administrative expenses and upon forfeiture, shall be paid to a Fiscal Agent as provided in the EMS Interlocal Cooperation Agreement. Failure by Contractor to renew the performance security or provide evidence in writing to the Agreement Co-Administrators of renewal at least sixty (60) days prior to the annual expiration date shall constitute a material breach of this Agreement and shall be grounds to terminate the Agreement and draw the performance security on deposit.

(C) The City and County may only liquidate and draw the performance security required if: (i) the Contractor is in material breach; (ii) the Contractor fails to cure the material breach; and (iii) City and County terminates the Agreement

Section 12: Termination of Agreement; Opportunity to Cure Breach; Material Breaches; Vehicle and Equipment "Step-In" Rights:

(A) Termination of Agreement: Neither party may terminate this Agreement prior to its scheduled termination except as provided in this Agreement, or in the event of a material breach by the other party. For purposes of this provision, a "material breach" by Contractor shall include failure to meet any of the various performance standards or other terms and conditions set forth in this Agreement, provided the nature of such conduct, acts or omissions must be such that the City and County, determines that the health, safety and welfare of its citizens is negatively affected thereby.

(B) Opportunity to Cure Breach: If Contractor engages in a "material breach" of this Agreement, and prior to any formal declaration of material breach and termination of this Agreement, City and County shall notify the Contractor in writing through the Agreement Co-Administrators, or the MCA, of the existence and specific nature of the material breach and shall allow Contractor a reasonable opportunity thereafter to correct same. Nothing in this Agreement shall be deemed or construed as prohibiting the City and County from taking steps necessary at any time to assure ongoing and continuous emergency medical and ambulance services, regardless of the nature of the breach or its underlying causes.

(C) Conditions and circumstances which shall constitute a "material breach" of this Agreement by the Contractor and which if not cured to the satisfaction of the City and County within a reasonable time, may result in termination of this Agreement, shall include the following:

(1) Willful or repetitive failure (defined as missing 3 consecutive quarters) to meet any one or a combination of the performance standards or other terms and conditions of this Agreement;

(2) Failure of the Contractor to operate the emergency medical ambulance service in a manner which enables the City, County, and the Contractor to remain in compliance with the requirements of applicable federal, state, and local laws, rules and regulations. Minor infractions of such requirements shall not constitute a material breach of this contract; rather, failure of the Contractor to substantially comply with such provisions can only be determined by the City and County after Contractor has been given written notification of the deficiency, and Contractor failed to cure satisfactorily said deficiency within a reasonable time.

(3) Willful or negligent falsification of information or data supplied by the Contractor to the City, County, MCA or Agreement Co-Administrators including by way of example, but not by way of exclusion, dispatch data, patient report data, response

time data, or willful downgrading of presumptive run code designations to enhance Contractor's apparent performance, or falsification of any other data required under this Agreement.

(4) Repetitive failure of Contractor's employees to conduct themselves in a professional and courteous manner and to present a professional appearance, to the extent that the City and County's reputation as a provider of high-quality emergency ambulance services, has been diminished as determined by the Co-Administrators, or by the MCA and reported to the Co-Administrators.

(5) Repetitive failure of the Contractor to meet established performance criteria such as: provision of twenty-four (24) hour-a-day ALS ambulance service, meeting established response time criteria, or maintaining proper telephone and radio communications.

(6) Contractor's refusal to treat and/or transport patients due to their inability to pay for service.

(7) Contractor is declared or determined to be insolvent, a receiver or other fiduciary is appointed to manage its business offices, or proceedings are initialized, either voluntarily or involuntarily, on behalf of or against Contractor, under the United States Bankruptcy Act.

(D) If Contractor commits a "material breach" as a result of contract performance deficiencies which are collectively

determined by the City and County to pose a substantial and imminent risk or threat to the public health, safety, and welfare of their citizens, the City and County may, upon ten (10) days written notice to Contractor, declare that a "material breach" has occurred, terminate this Agreement, and take over or exercise its "step-in rights" provided hereinbelow. The exercise by the City and County of their take-over or "step-in rights" as provided in this Agreement, shall not prohibit Contractor from disputing any finding or declaration by the City and County of a material breach of this Agreement through litigation, provided, however, that any such litigation initiated by Contractor shall not delay in any way, the City and County's absolute right to immediately take over emergency medical and ambulance operations, leased equipment, and necessary personnel, and recover all performance security deposited by Contractor, as provided herein.

(E) Equipment and Vehicle Provision; Personnel; Step-In Rights:

(1) If this Agreement is terminated in accordance with the preceding section, the City and County, or their designated provider, shall have the absolute and unabridged right to immediately step in, take over, and provide emergency medical ambulance service for the citizens of Owensboro and Daviess County. The City and County's step-in rights include the following:

(a) Contractor may choose to hold title to various emergency service vehicles and on-board equipment or lease same from a third party. As to such vehicles and equipment, the City and County, or their designated provider, shall have the immediate right to possession and control of said ambulances and on-board equipment owned or leased by Contractor; provided, however, that if the City and County exercise their step-in authority under this section of the Agreement and assume control and possession of said vehicles and equipment, they will compensate Contractor for the fair rental or market value of any vehicles and/or equipment they desire to lease or purchase and shall indemnify Contractor from any liability in connection with the City and County's possession and use. Within sixty (60) days of the execution of this Agreement, Contractor must provide a plan, satisfactory to the City and County, whereby the City and County, in their discretion, can assume immediate control and possession of Contractor's ambulances and on-board equipment if this Agreement is terminated due to material breach, bankruptcy, unforeseen cessation of operations, or termination of this contract for any other reason set forth in Section 12(C) of this Agreement. This plan shall include provisions for establishing the fair market value of any lease or purchase of said vehicles and equipment.

(b) If Contractor leases vehicles and/or equipment from a third party, Contractor must incorporate the City and County's

"step in" requirements under this Agreement into any lease Agreement through an assignment or novation, so that immediate control and possession of the vehicles and on-board equipment can be exercised by the City and County, in its discretion, in the event of a material breach of this Agreement, bankruptcy, unforeseen cessation of operations, or termination of this contract for whatever reason. City, County and Contractor understand that similar lease and/or purchase Agreements may also be entered into for future rolling stock/equipment purchases. These Agreements may be modified in the future by written mutual consent of the parties, however, there shall be a requirement in each lease or purchase Agreement that if the City or County exercises its "step-in rights" under this Agreement, or at the option of the City and County, in the event of the termination of this Agreement, that the vehicles and equipment, and any lease relating shall be transferred to and assumed by the City and County. The foregoing plans and Agreements shall be subject to review and approval by the City and County Attorneys, and any purchase or lease Agreements approved shall be maintained by the Contractor and copies provided to the Agreement Co-Administrators.

(c) The City and County, or its designated provider, shall have the absolute, immediate, and exclusive right to access, supervise, control, and direct the work activities of all of Contractor's personnel residing in Daviess County and who are

primarily engaged in the implementation of this Agreement, as long as affected personnel remains in the employment of Contractor in Daviess County. Upon the City and County exercising their step-in rights under this section of the Agreement, Contractor's personnel shall cease being employees of Contractor and may apply for employment with the City and/or County. The City and County, or their designated provider, shall be responsible for all costs associated with the continued employment of any full-time, part-time or temporary hires, including but not limited to, payroll and associated taxes, benefits, worker compensation and professional liability insurance, and the City and County, or their designated provider, shall agree to indemnify and hold harmless the Contractor from any and all claims for such costs. Contractor shall not create any right, adopt any policy or procedure, or engage in any practice, act, or other means intended to prohibit or restrict the City and County's efforts (through their designated provider) and ability to utilize/manage Contractor's personnel. This provision shall not apply to those employees whose employment with Contractor has been terminated.

Section 13: Assignment:

This Agreement is not intended nor shall it be construed to inure to the benefit of any third person or entity not a party and no right, duty, or obligation of the Contractor under this Agreement shall be assigned to any person, private association, or

corporation, not for profit corporation or public body, without the prior written consent of the City and County, except pursuant to mutual aid agreements, or as specifically provided. Any amendment to Contractor's Articles of Incorporation, change in corporate structure, sale of assets, or stock, publicly or privately, which is intended to affect a change in ownership shall for purposes of this Agreement, be considered a form of assignment. A change in ownership shall be deemed to have occurred if more than fifty percent (50%) of Contractor's assets, capital stock, or voting rights of a corporation or proprietorship is purchased, transferred, leased, or acquired by comparable arrangement from one person or entity to another. The City and County shall not unreasonably withhold its approval of a requested change in ownership or corporate structure as long as the purchaser, assignee, or transferee is of comparable experience, and has the technical and financial ability to provide the services at the performance levels set forth in this Agreement.

Section 14. Compliance With Laws:

All services furnished by the Contractor under this Agreement shall be rendered in full compliance with all applicable federal, state, and local laws, ordinance, rules and regulations. It shall be the Contractor's sole responsibility to determine which laws, rules, and regulations apply to the services under this Agreement and to maintain compliance with those applicable standards at all

times. Any violation by Contractor of federal, state, or local laws and/or regulations which substantially impair Contractor's ability to conform to this Agreement, shall constitute a material breach hereof, for which the City and County may terminate this Agreement pursuant to Section 12, draw the performance security required in Section 11, and pursue any and all other legal and equitable remedies at law.

Section 15: Non-Discrimination Provision:

Contractor agrees as follows:

(A) Contractor, during the performance of this Agreement, agrees to comply with all applicable provisions of federal, state, and local laws and regulations pertaining to prohibited discrimination.

(B) Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, national origin, sex, age, or disability status. Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, color, national origin, sex, age, or disability status. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor

agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this non-discrimination clause.

(C) Subject to applicable insurance requirements imposed on the Contractor with regard to minimum age of employees, Contractor shall in all solicitations or advertisements for employees placed by or on behalf of the Contractor, provide that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, sex, age, or disability status.

Section 16: Reporting Requirements:

(A) Operational Reporting Requirements: Contractor will report to the MCA on a monthly basis, the progress, status, and/or compliance with the following standards of performance: flexible deployment plans, response time compliance, response time that exceeds the response standards herein, any quality improvement programs or training that are initiated, run volumes, and patient types, for example; and shall provide in a timely manner, any and all other information requested by the MCA or the Agreement Co-Administrators. All information provided by Contractor to the MCA, City, or County shall be available for public inspection to the extent authorized under the Kentucky Open Records Act. To the extent authorized by law, the City, County, and/or MCA shall protect the confidentiality of all patient-

related information provided by Contractor, in compliance with Federal HIPAA requirements.

(B) Financial Reporting Requirements: Contractor shall report to the MCA on a monthly basis, and to the Agreement Co-Administrators upon request, its internal financial reports of assets, revenues, and expenditures relating to the services provided herein.

Section 17: 911 Emergency Patient/Consumer Complaints:

(A) A three-member committee of the MCA Board shall be established to investigate and report to the Board its findings concerning Contractor performance subject to this Agreement or 911 emergency patient care complaints.

(B) The three-member Committee shall include one member designated by Owensboro Health Regional Hospital, one member designated by the City, and one member designated by the County.

(C) When any City or County official, or MCA Board member receives a written complaint about Contractor's 911 emergency service complaint about Contractor he or she shall notify Contractor promptly.

(D) Contractor shall investigate any written complaint concerning 911 emergency service or billing and report within forty-five (45) days, its findings and outcomes to the Committee.

(E) The Committee shall report its findings to the full MCA Board and recommend solutions and consequences for Contractor's performance and 911 emergency customer/patient complaints.

(F) The MCA Board shall consider the Committee's recommendations and may adopt the recommendation which may include counseling, censure, and/or punishment including a fine of up to \$250.00 payable by the Contractor.

Section 18: Contract Documents:

(A) The contract documents shall consist of:

(1) This Agreement including all Exhibits attached and incorporated by reference;

(B) If there is a conflict in language or the interpretation thereof, between any part of the contract documents, the construction and interpretation of the contract documents shall be in the order of priority listed in Subsection (A) above.

Section 19: Entire Agreement:

This Agreement constitutes the entire Agreement between the Contractor and the City and County and there are no Agreements, understandings, warranties, or representations between the parties except as provided. This Agreement cannot be amended except in writing and executed by the parties.

Section 20: Applicable Law:

The validity, construction, performance, and effect of this Agreement will be governed by the laws of the Commonwealth of Kentucky, and any questions arising thereunder shall be construed or determined according to such laws.

Section 21: Binding Effect:

This Agreement shall inure to the benefit of and is binding upon the respective parties, their officials, employees, agents, successors, personal representatives, and permitted assigns.

Section 22: Invalidity; Severability:

If any term, provision, covenant, or condition of this Agreement, or any application thereof, is held by a court of competent jurisdiction to be invalid, void, or unenforceable, all terms, provisions, covenants, and conditions of this Agreement, and all applications thereof, not held invalid, void, or unenforceable, shall continue in full force and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, provision, covenant, or condition held to be invalid or enforceable.

Section 23: Waiver:

Except as otherwise provided in this Agreement, no waiver of any of the provisions of this Agreement shall be deemed to be, or shall constitute a waiver of any other provision or similar occurrence, whether or not similar, nor shall any waiver be binding

unless evidenced by an instrument in writing executed by the party making the waiver.

Section 24: Omnibus Provision:

Until the expiration of five (5) years after the furnishing of any services pursuant to this Agreement, the Contractor shall make available, upon written request to the Secretary of the United States Department of Health and Human Services, or upon written request to the United States Comptroller General, or any of their fully authorized representatives, this Agreement, and such books, documents, and records as are necessary to certify the nature and extent of the reasonable cost of services.

Section 25: Delay in Commencement of Agreement:

If a delay in the commencement date of this Agreement is caused by events beyond the direct and immediate control of the parties hereto, neither party shall be liable to the other for any loss or pecuniary damages caused by such delay, and the parties shall mutually indemnify and hold each other harmless from any and all liability for any such loss or pecuniary damages resulting therefrom.

Section 26: Miscellaneous Provisions:

(A) Time Is Of The Essence: Time is of the essence in this Agreement.

(B) Notice Provision: Unless otherwise specifically provided herein, all notices required under the terms of this

contract shall be in writing and served personally or by certified mail, return receipt requested, postage prepaid, to the appropriate parties at the addresses shown below:

DAVIESS COUNTY, KENTUCKY:

Notify: County Judge Executive
(Agreement Co-Administrator)
Room 202, Daviess County Courthouse
212 St. Ann Street
Owensboro, Kentucky 42303

CITY OF OWENSBORO, KENTUCKY:

Notify: City Manager
(Agreement Co-Administrator)
101 East Fourth Street
P. O. Box 10003
Owensboro, Kentucky 42302-9003

Notify: Medical Control Authority
Attention: Chairperson
c/o Owensboro Medical Health System
Emergency Department
1201 Pleasant Valley Road
Owensboro, Kentucky 42303

CONTRACTOR:

Notify: Mercy of Evansville, dba AMR
950 East Virginia Street
Evansville, IN 47711

IN WITNESS WHEREOF, the parties have executed this Emergency Medical Service and Ambulance Agreement effective as of the ____day of _____2019.

DAVIESS COUNTY FISCAL COURT

By: _____
Al Mattingly,
County Judge Executive

CITY OF OWENSBORO, KENTUCKY

By: _____
Thomas H. Watson, Mayor

Mercy Ambulance of Evansville, Inc.,
d/b/a AMR

By: _____
_____, President

EXHIBITS

1. Colored Map entitled "Ambulance Response Time Requirements"
2. Additional Contract Requirements
3. Minimum Staffing and Deployment
4. Rate Schedule and Subsidy
5. Backup Ambulance and Financial Agreement.

Exhibit #1 - Ambulance Response Time Requirements

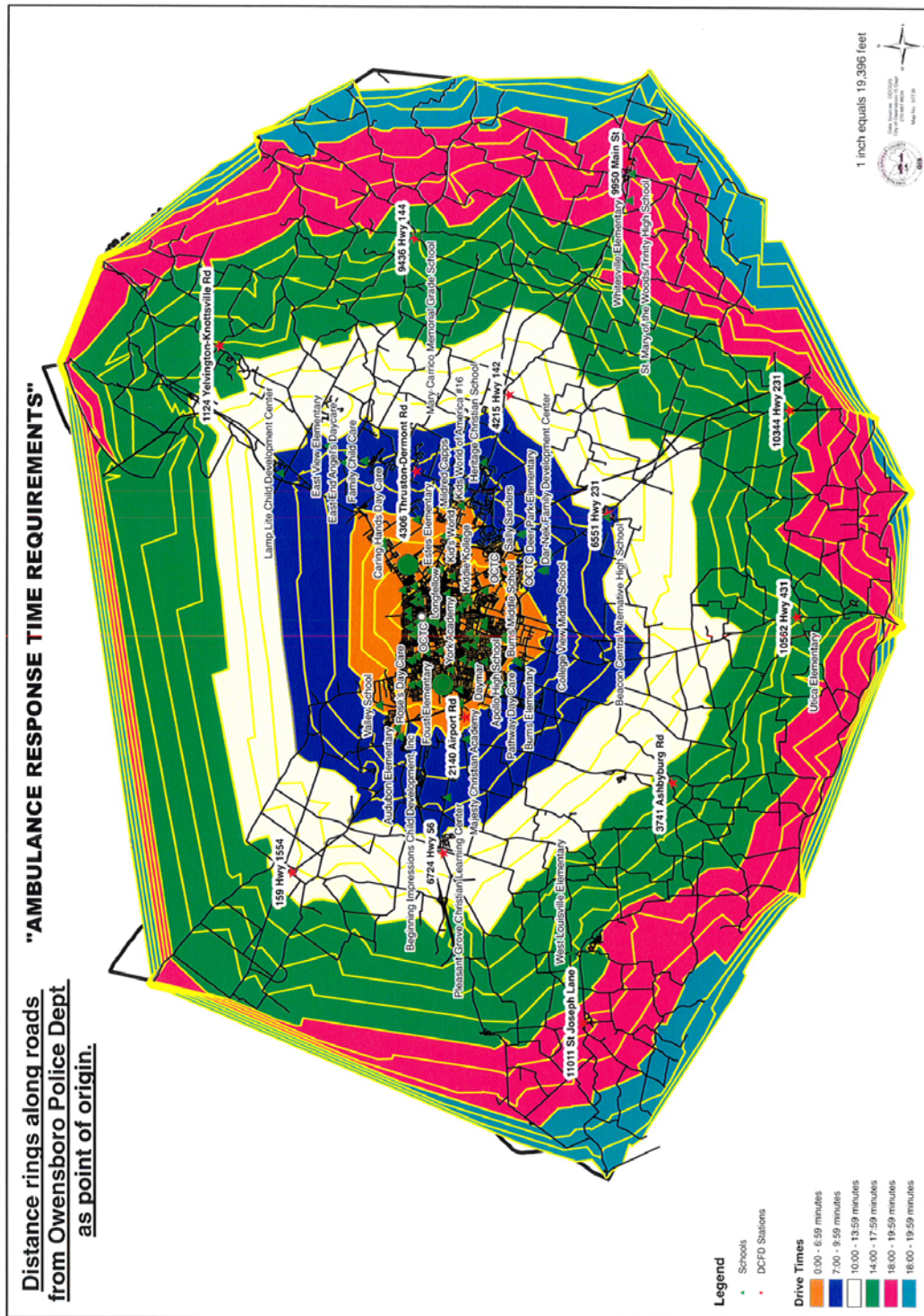


Exhibit #2 - Additional Contract Requirements

2-1 Service Provided:

The intent of this Agreement is to provide ambulance service for the community for emergency and non-emergency calls for service that originally pass through the Owensboro - Daviess County Central Dispatch via 911 service, non-emergency phone service, via radio from public safety personnel, or other means; and, emergency calls for service that may directly be called into the ambulance service; and, emergency non-scheduled transfers of critical patients from health care facilities to other health care facilities. It is not the intent of this Agreement to cover scheduled transfers, non-emergency ambulance services or convalescent services, and thus such services should not be considered an exclusive right of the contractor under this Agreement. While the contractor may provide such service, it is mandatory under this Agreement that calls through Central Dispatch and emergency calls for service shall take priority over such non-emergency services. If the contractor provides such non-emergency service, such shall make sure that enough units are staffed as to not delay service for emergency and/or 911 calls.

2-2 Billing:

The contractor will provide billing services and invoice patients directly for services rendered through means as allowed by Federal, State and Local Laws and Regulations.

2-3 Equipment and Vehicle Requirements:

The contractor ambulances shall bear the name of the City and County and shall be professional and in good repair at all times. The contractor shall furnish state-of the art equipment that meets or exceeds standards as specified by the KBEMS. Equipment and Supplies shall be approved by the Medical Director.

The Contractor shall supply enough ambulances to cover all operations in the times required, as well as back up units for downtime of units. The contractor shall have a vehicle maintenance program to include proper reports and make such available to the MCA Board at regular meetings upon request. ALS Ambulances will be of the Type I or Type III type. It is understood that from time to time it may be appropriate for the use of a Type II ambulance. Therefore, an allowance for a ratio of 1 to 8 of Type II ambulances to Type I/III is permitted. No ALS ambulances operating shall be in excess of seven (7) years old or have an odometer reading of over 200,000 miles.

2-4 Hours of Operation:

Service under the Agreement shall be provided twenty-four (24) hours per day, seven (7) days per week. Response time requirements to not vary depending on day or time, and shall stay constant.

2-5 Location of Services:

Services shall be based within the County and City. The Contractor will determine the base location(s) needed to meet response requirements.

2-6 Community Education:

The Contractor shall provide and/or cooperate in community education programs that involve risk reduction and initial life saving techniques. The Contractor must be willing to work with area health care agencies and emergency services to provide such services.

2-7 First Responder Programs:

The Daviess County and Owensboro Fire Departments provide a first response EMS program for the County and City. The Contractor shall support and cooperate with these programs as a part of the overall Vision of Pre-Hospital care in our Community. The Contractor shall operate cooperatively within the Incident Management System, and shall periodically train with these entities.

2-8 Mutual Aid:

The Contractor shall be required to maintain Agreements with any other providers in order to best serve Daviess County and to assist adjacent counties as needed. Such Agreements shall not be utilized in place of normal operational day to day staffing requirements. Such services shall provide ALS service unless otherwise allowed by the Agreement.

2-9 Numbering System:

The radio identifier numbers 80 through and including 89, and 890 through and including 899 have been set aside for ambulance use beginning July 1, 2018. This would include all transport, quick response, and staff type vehicles that may respond to emergencies. Other identifiers can possibly be considered and discussed with the contract Administrators and 911 Oversight Committee.

2-10 Medical Director:

The Contractor shall contract with a local physician certified as a Medical Director under KBEMS, and such Medical Director shall also act as such for the Daviess County and Owensboro Fire Departments. The Contractor shall cover any expenses associated with the Medical Director.

2-11 Performance and Quality Control:

The Contractor shall provide clinical performance consistent with approved standards and protocols as established by the Commonwealth of Kentucky, KBEMS, and such protocols as approved and directed by the local Medical Director. The Contractor shall provide for the means to provide instruction, quality assessment and control of clinical personnel. The MCA Board will consider and require tracking of such instruction and quality control. Failure to comply may result in termination of the contract within 30 days of a written notice from the contract administrators.

2-12 Reports:

The MCA Board and/or Contract Administrators may require reports regarding compliance with the Agreement at any time. Upon request the Contractor shall comply with such request within 30 days in writing. The Contractor shall provide the following Operational Quarterly Reports to the MCA Board:

Run Volume
Response Time Compliance
Supply and Maintenance Reports
Quality Indicators and Quality Performance Reports as designated by the Agreement or the MCA Board
Employee Roster, certification levels and dates
Employee attrition rate
Training Offered
Community Education/Activities
Organization participation
Financial Reports: Quarterly Profit/Loss; Collection rate;
Annual Audit by independent auditor approved by the MCA Board.

2- 13 Administration and Dispatch:

The Contractor shall maintain an administrative office within the County, with a local service Director. The Contractor may use a regional dispatch center approach.

2-14 Structure Fire Response Expectations:

The Contractor shall be dispatched to and responsible for responding to reports of structure fires and possible structure fires. For possible structure fires, the Ambulance is expected to stage and be available if needed based on the investigation of initial fire units. The Incident Commander will release the ambulance as quickly as possible based on incident needs. Upon the declaration of a working structure fire, the Contractor Ambulance Personnel shall:

- Bring cot and equipment and stage near the fire scene.
- Provide medical treatment, and transport if required, to any and all victims.
- Assist in the rehab sector for the responding Fire Department, to include monitoring vital signs of firefighters.
- Provide medical treatment, and transport if needed, to any sick or injured emergency personnel.
- Assist in the packaging, removal and/or transport if needed of deceased fire victims.

2-15 Emergency Response Personnel Qualifications

Emergency Medical Technicians:

Emergency Medical Technicians (EMT) will be certified By the KBEMS to operate within the Commonwealth of Kentucky at the Basic Life Support Level. It is preferred that EMTs also have National Registry Certification.

Paramedics:

Paramedics will be certified by the KBEMS to operate in the Commonwealth of Kentucky at the Advance Life Support Level. It is preferred that paramedics also have National Registry Certification. In addition, paramedics shall have obtained and shall maintain within one (1) year of employment ACLS, PALS/PEEP, and PHTLS/ITLS.

Dispatchers:

Medical Dispatchers shall be trained and certified in Emergency Medical Dispatch (EMD). While it would be ideal if such Dispatchers were certified EMT-B or EMT-P, however such is not a requirement.

2 - 16 Supplies and Oxygen Bottles

The Contractor agrees to exchange supplies used for patient care with the first responder fire departments when possible. The Contractor also agrees to share oxygen bottle services with first responder fire departments as needed.

2 - 17 Radio System Access Fees

The 800 MHz radio system requires access and maintenance fees from all users. The City of Owensboro will provide this service to the Contractor In-Kind for a reduction in the City portion of the Subsidy of \$361.25 per quarter. This amount will not change for 36 months. If an increase is required after 36 months, the Contractor will be notified by the City. This access fee will only be required of the Contractor for the duration of the this Agreement. Changes in the radio system structure will be discussed with the Contractor and this exhibit modified as needed at that time.

2 - 18 July through December 2019 Interim Period

The months of July through December, 2019 will be considered an interim ramp up period for the Contractor. While the months of July through December 2019 will be reported for performance factors and considered in the response time quarterly report as normal, these three months will not be considered for performance penalties in regards to staffing or response time.

Exhibit #3 - Minimum Staffing and Deployment

Initially, AMR will operate its Owensboro-Daviess County Division as presented in the below operational plan with eight (8) ALS units available Monday-Friday at peak at 3:00 P.M. and staggering off to three (3) units at 3:00 A.M. and six (6) ALS units on Saturday and Sunday at peak. AMR staffing plan will consist of a Paramedic and an EMT on each ambulance. The work force shall work a variety of shifts ranging from eight (8) hour shifts to sixteen (16) hour shifts with the majority being twelve (12) hour shifts. Total deployment is planned to be 926 ALS Unit Hours per week to be deployed to meet expected demand.

The hours of service as listed on the following page may be adjusted by the Contractor in its discretion as needed in order to accommodate actual service needs as they may change over time. Any significant, permanent changes in the schedule shall be provided in writing to the Co-Administrators within forty-eight (48) hours of the change.

Exhibit #4 - Rate Schedule and Subsidy

Base Rate Schedule

Owensboro Emergency/911 originated responses

A0427	ALS Emergent	\$870.00
A0426	ALS Non-Emergent	\$562.80
A0433	ALS Level 2	\$870.00
A0434	SCT	\$1125.60
A0426	BLS Emergent	\$541.80
A0428	BLS Non-Emergent	\$387.45
A0398	ALS Disposable Supplies	\$175.00
A0425	Mileage (per mile)	\$15.75
*****	Non Transport Assist Charge to Patient	\$100.00
*****	ALS Contract Standby/ per hour	\$155.00
*****	BLS Contract Standby/ per hour	\$125.00

County/City Subsidy

1. In consideration of Contractor providing City and County Emergency Ambulance services defined in this Agreement City and County shall pay to Contractor an annual payment of \$150,000.00. (Subsidy)
2. City, County and Contractor agree that they based the subsidy amount on the parties' mutual expectations of the annual costs to provide Emergency Ambulance service and expected annual net revenues Contractor will receive from providing Emergency Ambulance service to City and County according to the terms of this Agreement.

3. City and County shall pay to Contractor \$150,000.00 for contract years 2019-2020 and 2020-2021. City and County agree to pay subsidy in equal monthly installments during the contract year.
4. At least eighteen (18) months after the effective date of this Agreement Contractor shall meet and confer with the City and County to analyze the system financial stability. The parties shall analyze and audit system costs, system revenues, rates and deployment levels to determine if an adjustment to the Subsidy needs to be made starting July 1, 2021 and each year thereafter.
5. If City, County and Contractor cannot reach an agreement as to the amount or term of the Subsidy for any contract year before the start of the contract year then City and County shall pay the prior Subsidy amount to Contractor until the parties agree to the new amount. City, County and Contractor shall agree to allocate payment of the accumulated difference in the Subsidy amount within ninety (90) days following acceptance of the new Subsidy.
6. Additionally, Contractor or the City or the County may request a for cause adjustment to the Subsidy at any time during the Agreement if the financial sustainability of the system is affected by changes to market conditions, payer mix, payer reimbursement, and other factors beyond Contractor's control. Upon notice from the Contractor, the parties shall analyze system costs, system revenues, rates and deployment levels to determine if an adjustment to the Subsidy is needed.
7. Contractor shall send invoices for the Subsidy to the City of Owensboro Finance Department. See also Exhibit #2, Section 2-17.

Mail payments to:

Mercy of Evansville, dba AMR
950 East Virginia Street
Evansville, IN 47711