



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

Date: November 9, 2023

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Deputy City Manager
Megan E. Schubert, Assistant City Manager
Peter Hullinger, Fire Chief

Subject: Emergency Medical Services (EMS) Update

On October 16, City Council directed the City Attorney to prepare or review a professional services agreement for Emergency Medical Services (EMS) technical assistance services with Fitch & Associates of Platte City, MO. The proposed agreement is expected to be on the November 20 regular City Council meeting agenda.

On October 27, Alliance Mobile Health Executive Director Vince Waryas contacted Fire Chief Peter Hullinger to request a meeting to discuss the agreement between Alliance and the City. City staff met with Mr. Waryas and Mobile Medical Response CEO Laurie Thiel on November 1. Waryas and Thiel provided the attached letter regarding the potential sale of Alliance to another EMS agency and proposed changes to the agreement. Alliance understands the City can reject the proposed changes and that approval would require a resolution of City Council. They also understand the City Council is unlikely to act until November 20 at the soonest. Nevertheless, Alliance requested information about how the City intends to proceed no later than November 10.

City staff met on November 6 to discuss the City's options, or lack thereof. Chief Hullinger sent questions to Alliance after the November 6 meeting and received answers on November 8. Today (November 9), Chief Hullinger notified Alliance of the City's intent to pursue Option 2 in the attached memo. The necessary amendments will be prepared and presented to City Council in late November or early December. In the meantime, City staff looks forward to working with Fitch & Associates to evaluate the community's needs and identify options for how to meet those needs.

Date: November 1, 2023
To: Mark Miller, City Manager
Peter Hullinger, Fire Chief
From: Vince Waryas, Executive Director, Alliance Mobile Health
Laurie Thiel, Alliance Mobile Health Board Member



Subject: **Requesting modification to the current Emergency Medical and First Responder Services Agreement Between the City of Troy and Alliance Mobile Health**

Alliance's 2022 bid for the City of Troy's Paramedic First Responder Services (PFRS) established a cost of \$31 per unit hour. With increased operational costs related to wages, benefits, fuel, vehicles, and equipment, the current reimbursement for PFRs has become unsustainable at this rate. Without an increase in the PFR unit hour effective January 1, 2024, Alliance cannot fulfill the contract through December 31, 2025.

Our financial analysis is based on the 21,132 unit hours billed to the city from July 1, 2022, through June 30, 2023. Alliance requires the PFR rate to increase from \$31 per unit hour to \$67 per unit hour to cover expenses related to operating the Paramedic First Responder units.

Furthermore, Alliance Mobile Health is still actively engaged in a discussion with an EMS agency to purchase the company. Should that sale be executed, either of these options below makes that sale viable and will provide a seamless transition for the city.

Recommendations:

Option 1:

The City of Troy approves a PFR unit hour increase from \$31 to \$67, effective January 1, 2024. After that, Alliance will review costs to operate annually while the city completes its study with Fitch & Associates to evaluate the community's future needs related to EMS services.

Option 2:

The EMS agency interested in purchasing Alliance recommends changing the current deployment plan with the following:

- Removing (2) 24-hour PFR units and replacing them with (2) fully equipped 24-hour ALS units at the same \$31 per unit hour charge. This would give the City a total of 5 dedicated ALS units to the City during the day and (3) dedicated ALS units at night, 24 hours a day, 7 days a week once the transition is complete.
- In addition, (1) PFR unit would remain to handle CO2 monitoring, prisoner evals, first responder services, etc., at the \$31 per unit hour rate.
- Ongoing 24/7 supervisor coverage.

Alliance also believes Option 2 will eliminate mutual aid charges from neighboring cities because more transporting units are dedicated to the City.

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Under Section 3: A-D of our contract, Alliance understands that the City can reject the options above and seek new proposals. Alliance has had a very positive, long-standing relationship with the city and its residents, and providing the highest quality of care is the top priority. Please consider that carefully when you weigh your options.

Due to the time-sensitive nature of the business, Alliance requests to know how the city intends to proceed to move forward no later than Friday, November 10, 2023.

Thank you for your time.

Respectfully,

A handwritten signature in blue ink, appearing to read "Vince Waryas". The signature is fluid and cursive, with a long horizontal stroke at the end.

Vince Waryas
Executive Director
Alliance Mobile Health