

**COMMUNITY SERVICES DIVISION  
EMERGENCY MEDICAL SERVICES DEPARTMENT**

**CORE SERVICES REVIEW**

**BENCH MARKING**

**Response Times**

- Under provincial legislation, Emergency Medical Services (EMS) are required to maintain call response times at or under the 1996 90<sup>th</sup> percentile or face potential reductions in funding. According to the 2005 Report of the Auditor General of Ontario, ambulance response times have increased in 44% of municipalities between 2000 and 2004 and in addition 32 out of 50 (64%) of municipalities did not meet their legislated response times in 2004.
- Lambton's response exceeded the 1996 benchmark in 2001, 2002, and 2003. In 2004 response times improved slightly and by 2005 response times were 1.57 minutes better than the 1996 90<sup>th</sup> percentile. (Appendix A, Chart 1). This improvement in response times was the result of revising the deployment strategy to reduce the number of ambulances available for non-emergency transfers and moving all stations in the county to 24/7 coverage.

**Wage Rates**

- Since ambulance services have been downloaded to municipalities, paramedic wage rates have increased significantly. Since wages constitute roughly 85% of the cost of providing the service, this increase has a significant impact on service costs.
- In 2005, the average wage rate across Ontario for a paramedic was \$27.95, the Southwestern Ontario average was \$28.35 and Lambton's rate was \$28.44. The current contract expired March 31, 2006.

**Fleet Costs**

- Our fleet operating costs vary between \$0.28 to \$0.32 per km and the provincial average is between \$0.42 to \$0.48 per km.

**Total Costs**

- The Auditor General's Report also indicated that the total cost of providing ambulance services has increased by 94% over the four years 2000 to 2004. However total ambulance calls (excluding Code 8's, standby calls) have remained at the same level.
- Lambton's total costs have increased by 108% since assuming the service. During the same time period, total ambulance calls (excluding Code 8) have decreased by 30% in Lambton but emergency calls have increased by 8.5%. The change in deployment strategy related to non emergency transfers has significantly reduced the total number of calls. (Appendix A Charts 2 & 3)
- The Ontario Municipal CAO's Benchmarking Initiative (OMBI) is working towards benchmarking standards for EMS. The only information currently released by this group is the cost per household of land ambulance services in 2003. This figure ranges from \$57 to \$150 with an average of \$89 for the 12 municipalities that reported the information. Lambton's cost per household in 2003 was \$111.05. It must be noted that there has been no assessment as to whether the significant differences in costs is the result of significant differences in service levels.
- The Municipal Performance Measurement Program (MPMP) is not currently reporting/tracking any data on EMS.

**BEST PRACTICES**

- The Emergency Health Services branch of the Ministry of Health and Long-term Care (MOHLTC) undertakes an Ambulance Service review of all services every three years. This review not only

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ensures that the service meets all of the legislated requirements for certification but also highlights any best practices they feel would benefit the service.

- Lambton's latest review was completed in 2004 and a number of best practice recommendations were made regarding a quality assurance program. Many of the recommendations have now been put into place with the hiring of a Quality Assurance Manager.
- The final report from the Rural & Remote Working Group (a group established by the MOHLTC to investigate access to advanced medical care in rural and remote areas) indicated that what was needed in rural Ontario was the addition of certain advanced skill sets to the Primary Care Paramedic's basic skills package. On the basis of that report, Council approved the introduction of enhanced P1 training which commenced earlier this year.
- The Ontario Centre for Municipal Best Practices has currently only produced Best Practice Reports in the areas of Roads, Transit, Waste Management, Water and Sewer.

**PROVINCIAL FUNDING COMMITMENTS**

- The recent announcement that the Province will meet its 50% funding commitment for EMS, over the next three years, is good news and should have a substantial impact on the levy.
- It is unclear whether this commitment is for 50% of current operating costs or whether the 50% will be calculated on Ministry approved expenditures. This will have to be monitored to ensure full 50% funding is received.
- The announcement that funding will be increased by \$631,971 in 2006/7 will increase the province's share of costs to 42%.

**ALTERNATIVE SOURCES OF DELIVERY**

- Option 1 – Private Sector/3<sup>rd</sup> Party Management
- Option 2 – Revise the Deployment Strategy
- Option 3 – Other

• **Option 1 - Private Sector/3<sup>rd</sup> Party Management**

This method of delivery would see the County assume the role of Contract Manager with the service being operated under a service contract, tendered through a competitive tendering process. When the service was initially downloaded from the province, this was one of the service delivery models considered and rejected by Council.

Prior to the County assuming operations for EMS, they participated in a South West Region Consultant's study, known as the IBI Report. That study identified six evaluation criteria that should be considered in deciding how to deliver ambulance services. Of the original six, five are still relevant in evaluating service delivery. They are:

- The ability to directly effect operational change in response to variations in public policy.
- The need to minimize change and maintain harmony in employee working conditions in the short and long term.
- In house management resource capabilities.
- Future adaptability – the capability to integrate with community or health and social service programs and adapt over time in response to changing demographics, new technologies and changing service elements.
- The potential to reduce the financial burden on the taxpayer.

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There are currently 50 Upper Tier Municipalities operating 61 services, of which 40 are direct delivery by the municipality, 8 are contracted services and 2 are provided through a combination of the two methods. Since municipalities have been responsible for the service, no municipality has changed from direct service to a service contract but at least three have switched from a service contract to direct delivery.

On the basis of the five evaluation criteria, the current service is performing very well and after providing the service for over five years, our own in house management expertise is well developed. It is unlikely that any private operator has a greater depth of experience.

It is difficult to determine what, if any, cost savings would be achieved by switching to a contract for service. The majority of EMS's expenses relate to staffing and vehicle costs. The average wage rate for a paramedic is standard across most of the services since the majority of paramedics are unionized. Fleet operating costs are also fairly standard, and our cost per km is already below the provincial average. Our administration costs are roughly 14% of total operating costs, including an allocation for overhead (Finance, IT, H/R, Legal, CAO and General Government).

This option does not appear to offer sufficient savings to undertake an RFP process. A private operator would add a profit factor and we would still incur some administrative cost. Combined with the fact that a private operator would not be able to save through lower wages, the benefits of this option seem very limited.

- **Option 2 – Review/Revise the Deployment Strategy**

The current deployment strategy has 10 ambulances operating out of 9 stations 24 hours a day, 7 days a week. This strategy has been fully implemented since early 2005 and has had a substantial impact on our response times. As indicated earlier in this report, response times are now 1.57 minutes under the 1996 time.

Appendix A Chart 4, breaks down the number of calls by station. With the exception of the Sarnia and Bright's Grove stations, the volume of calls is relatively evenly spread across the county, especially with the decrease in the non-emergency transfers

A full review of all calls, by location, by time of day, by type, could possible indicate a better way for our resources to be allocated but there is currently just one year's information to study.

- **Option 3 - Other**

- **Bulk Purchasing**

Where possible, EMS needs to continue to work on opportunities to achieve savings through bulk purchasing. There is an interest in South West Ontario in working as an EMS purchasing group, especially in RFP's for specific medical equipment, vehicle parts and defibrillators.

- **Cross Border Coverage**

Lambton and the surrounding Counties are reviewing their standby policies for cross border coverage in order to reduce the cost of providing coverage while still ensuring that appropriate response times can be maintained.

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- **Fleet**  
Our current vehicle replacement policy is 12-24 months longer than the previous standard. Currently two vehicles are replaced annually, with the entire fleet being replaced over 7 years. This longer replacement time can be achieved through the opportunity to rotate the vehicles throughout the County, thus averaging their use between the City and the rural area.  
Also currently being investigated is the chassis replacement option for fleet ambulances. This could reduce vehicle replacement costs but the analysis has yet to be done regarding potential higher repair costs and reliability.  
In addition, the two new vehicles replaced this year were gas operated ambulances vs. diesel operated ambulances. These vehicles were purchased after some investigation in the field that gas ambulances could produce savings on repairs and maintenance and per/km operating costs and that many services now preferred these vehicles. Gas operated ambulances are also less expensive to purchase than diesel.

**Recommendations**

It is recommended that all items under Option 3 continue to be reviewed and revised on an ongoing basis to ensure that the service is operated in the most efficient manner possible.

A review of the deployment strategy should be undertaken within the next 4 years in order to verify that our resources are appropriately allocated. That time period would enable 5 years worth of data to be reviewed thus providing a comprehensive picture of the service.

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**CORE SERVICES REVIEW  
APPENDIX A**

