

# REPORT ON AMBULANCE LICENSE ISSUANCE

In accordance with Section 7 of Chapter 53 of the Decatur City Code, this report contains findings and conclusions from Decatur's evaluation of applications for new ambulance permits recently submitted to the city. The findings and conclusions contained herein are based on information and documentation from an administrative hearing conducted on August 8, 2022 as required by the City Code for this issuance process, from application materials submitted by all eligible applicants, and from other relevant information independently obtained through background research.

Chapter 53 of the Decatur City Code requires that this report consider: 1) the experience and [level of] responsibility of the applicant; 2) the effect the proposed service may have on the general health, safety and welfare of the community; and 3) such other matters as may appear to be germane.

Chapter 53 of the Decatur City Code also requires that in rendering a decision, findings must be reported as to: a) whether or not the public is, at the time, reasonably [and] adequately served [by ambulances]; b) whether or not convenience and necessity require the proposed service; c) whether or not the proposed service location[s], personnel, equipment, vehicles and operation comply with the provisions of [Chapter 53]; and finally d) whether or not the license[s] applied for should be granted.

The operation of an emergency medical ambulance service exists in a changing business environment. Consequently, unique circumstances may exist that are not anticipated by the language of the City Code. For this reason, Chapter 53, Section 23, of the Decatur City Code also provides that "The City Manager is authorized to make such [other] reasonable rules and regulations not contrary to, or in conflict with, the provisions of this Chapter, as he may deem necessary or desirable to implement, clarify, refine or enforce the provisions hereof," so long as additional rules and regulations are also "in the best interest of the general health, safety and welfare of the community."

## **Initial Findings:**

- A) Decatur Ambulance Service (DAS), a division of Hospital Sisters Health System, notified the city of Decatur in June 2022 of their plans to dissolve DAS, and thus no longer provide ambulance services in Decatur & Macon County. Since there are no other ambulance companies operating in Decatur & Macon County, this decision means that the Decatur & Macon County area will, later this year, NOT be reasonably or adequately served by ANY emergency ambulance service. This necessitates that the city act to ensure a reasonably seamless transition to an alternate EMS transport provider(s), ensure continuous emergency medical ambulance availability and access to local citizens throughout the county, and accordingly, issue one or more new ambulance license(s) as quickly as possible.

- B) Based on the finding in paragraph “A” above, it is a matter of utmost necessity that ambulance services be available, and that the city secure an alternative licensee.
- C) The city of Decatur issued an “Invitation to Submit Proposals” for ambulance license issuance in early July 2022 and received four (4) proposals in response. The city finds that applications from all four companies contain various representations concerning proposed service locations, personnel, equipment, vehicles and operations information, and that this information and data, in all cases, meets the bare minimum requirements stipulated in Chapter 53 of the City Code. However, the city also found there were considerable differences in the number and strength of each company’s planned deployment of vehicles and equipment, their levels of company experience, and their approaches to staffing and methods of operation. In short, some applicants are better prepared than others to fully serve the ambulance needs of the Decatur & Macon County area.
- D) The city of Decatur determined that in the best interests of health, safety and welfare, the city should not focus just on the number of licenses issued, but rather on issuing licenses resulting in the deployment of the right **number** of manned ambulance vehicles in the community. In short, the city seeks first to ensure Decatur & Greater Macon County are served by enough ambulances (at least six) staffed and backed up by qualified frontline and standby personnel, access to quality training and equipment resources adequate to meet routine and special needs, coordinated with public safety partners, and other factors. The city of Decatur, furthermore, found that this threshold of service could be obtained by issuing one(1), two(2) or more licenses (depending on the number of ambulance vehicles each company was able to deploy); but that issuing more licenses than is required to meet the community’s EMS needs would likely make it difficult for multiple companies receiving licenses to remain financially viable—thereby threatening the continuity and sustainability of future ambulance services.

### **Evaluation Criteria:**

In assessing the experience and [level of] preparedness of the applicants, the city’s review ranks the license applicants in the following order from greatest to least:

**Abbott EMS/GMR** – This is a national company with access to extensive resources, personnel, purchasing power, training, and collaborative networks. They operate under different names in different markets, but the parent company, Global Medical Response, is based in suburban Denver, employs more than 36,000 nationwide and provides a range of public safety services—not just EMS transport. They have been in operation since 1996 and have operations in 40 states. They presently provide 9-1-1 EMS services in nearby markets like Evansville, Indiana; Owensboro, Kentucky; Macomb, Illinois, parts of metropolitan Chicago and St. Louis, and other locations. They offer experience in markets comparable to Decatur, and they provide a simple one step solution. The fact that Abbott EMS/GMR has comparable operations in the region also

means that they would have more ready access to temporarily back-up, short-term staffing vacancies in Decatur, or to supply back-up vehicles in the event of unplanned breakdowns or accidents. They have agreed to provide 6 ALS units and 2 QRV units and they do not rely on the addition of any other ambulance licensees to fully cover the needs of Greater Macon County. They have further indicated that once ramp-up and local scale-up are complete, proper staffing levels can be sustained, and that they would seek to pick-up 51%+ of DAS staff if they wish.

**Rural Med** – This is a much smaller company with much less experience. The company indicated staffing would be a problem. They have had conversations with DAS employees. Formed in 2016, they operate in small counties. Based on the information they provided, all the counties they operate in do not, in the aggregate, equal the volume of one year of DAS alarms in Macon County. Rural Med can provide four ambulances to Macon County; therefore, to fully service the Greater Macon County area, it would be necessary to issue a license to Rural Med and at least one other ambulance service provider to fully cover the needs of Greater Macon County.

**Echo Ambulance** – This company has only been in business for nine (9) months. Echo has no experience running emergency medical 911 calls in a county that generates the volume or type of EMS alarms occurring in Macon County. They currently have a presence in Pana and Moweaqua. Echo is only able to provide two (2) ambulances at this time. If Echo is awarded a license, it would be necessary to issue at least one (1) other ambulance license to fully cover the needs of Greater Macon County. The city is concerned that Echo may lack sufficient financial capacity to quickly and sustainably fund a rapid expansion of their services into Macon County.

**Lakeside EMS** – This company does NOT currently provide frontline first responder emergency 9-1-1 ambulance services in ANY location. They provide back-up to existing frontline providers, and they perform non-emergency medical transport services. In addition to this limited experience, the company has only been in business since 2018.

### **General Community Health, Safety & Welfare, and other factors:**

The impending exit of DAS from the local market has caused the city of Decatur and its public safety partners in Macon County to carefully evaluate its long-term EMS needs and particularly whether it is in the community's best interests to build-in greater service overlap and redundancy by issuing more than one license—even though Decatur & Macon County have been served for more than half a century by only one ambulance company. If the community continues to be serviced by only one ambulance company, then it could remain vulnerable to repetition of the current circumstances—where the incumbent could decide to leave the market after giving only a few month's notice, with no local back-up. On the other hand, if the city issues too many licenses in a market that cannot support multiple ambulance companies, then the long-term presence of multiple providers will be less financially stable. Both Sangamon and Champaign Counties have multiple ambulance providers, but both of these counties have service areas near or

greater than 200,000 in population. Depending on how it is circumscribed, Greater Macon County has a population of no more than 110,000 population.

Consequently, the city considered ways it could possibly mitigate the risks attendant in awarding only one ambulance license—if such a decision was found to be in the best interests of community health, safety and welfare. These mitigations likely require making additional “reasonable rules and regulations not contrary to, or in conflict with, the provisions of Chapter 53.” These could include: i) adding language to the license stipulating that if there was a pattern of slow or inadequate response times from the licensed ambulance company that they could not correct, and/or a substantive breach of license terms concerning service levels, then the city would have the option to issue an additional license to a competing ambulance company to augment local EMS transport services; ii) adding a license term requiring that the licensed ambulance company give the city at least six (6) or nine (9) month’s notice of any future plans to leave the local market, and to post a performance bond with the city that the city would redeem in the event that they left the market and ended service before the end of the stipulated advance notice period; and iii) requiring a greater level of interface, outreach and coordination with CIRDC and existing public safety providers in Decatur and Macon County to provide early detection of any administrative or operational issues that could eventually lead to interruption or failure of EMS transport services by the licensee.

### **Conclusion and Rationale:**

The company best matching, complying with, and exceeding the requirements of Chapter 53 of the City Code, bringing the greatest amount of experience and resources to the community, and best fitting the needs of the Decatur and Macon County service area is Abbott EMS/GMR. Along with other applicants, they have expressed an interest in acquiring DAS equipment, personnel and property (although negotiations for the same have not commenced and their success or failure in any negotiations does not bear on the city’s license issuance decision, or GMR’s acceptance of a license). GMR’s ability to provide a single licensee solution eliminates any dispatching issues, the need to create different response territories, and eliminates disputes concerning fairness between dispatch territories. Abbott EMS/GMR’s experience and company depth makes it more likely that they will enjoy long-term success and longevity in this market.

Therefore, the city will issue only one (1) license, to Abbott EMS/GMR, because: 1) they are the only company capable of serving the entire Decatur & Macon County area without back-up from a second ambulance company; 2) because they have agreed to the incorporation of all of the additional rules and regulations intended to mitigate the risks associated with having only one local licensee (see above 3-part list); 3) because they have the most experience among all applicants; and 4) because issuing one (1) license to Abbott EMS/GMR is found to be in the best interests of the general health, safety and welfare of the entire Decatur & Macon County community at this time.

Scot Wrighton  
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