

LOS ANGELES FIRE DEPARTMENT



RONNIE R. VILLANUEVA
INTERIM FIRE CHIEF

August 22, 2025

BOARD OF FIRE COMMISSIONERS
FILE NO. 25-050

TO: Board of Fire Commissioners

FROM: *RV* Ronnie R. Villanueva, Interim Fire Chief

SUBJECT: AGREEMENT WITH THE KAISER FOUNDATION HEALTH PLAN, INC.
FOR THE PROVISION OF TARGETED-DESTINATION AMBULANCE
SERVICES

FINAL ACTION:	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

SUMMARY

The Los Angeles Fire Department (LAFD) has a longstanding, mutually-beneficial agreement with the Kaiser Foundation Health Plan, Inc. (Kaiser) to transport Kaiser patients who are not in extremis or otherwise unstable to the nearest Kaiser hospital rather than the closest facility. Under the Targeted Destination Ambulance Services Program (Program), Kaiser compensates the LAFD for the additional cost of providing these extended transports.

The last agreement with Kaiser expired at the end of calendar year 2024, and both parties desire to continue the partnership. The new proposed four-year Targeted Destination Ambulance Services Agreement (Agreement) runs from January 1, 2025 through December 31, 2028, and includes a ratification clause authorizing the continuation of services prior to its execution. The Agreement will increase the Program Fee by 15% from \$195.00 to \$225.00 per transport. Effective January 1 of every year of the Agreement, the Program Fee shall increase by 2.0%, and the rate shall be rounded up to the nearest dollar.

RECOMMENDATIONS

That the Board:

1. Approve and authorize the Fire Chief to execute the Agreement for targeted-destination ambulance services between the City of Los Angeles and the Kaiser Foundation Health Plan, Inc., for a four (4) year term, from January 1, 2025 through December 31, 2028.
2. Transmit the Agreement to the Mayor for approval in accordance with Executive Directive No. 3.

DISCUSSION

The LAFD and Kaiser have a long history of working together to address issues related to emergency medical services (EMS) care. One such collaboration is the Targeted Destination Ambulance Services Program, which began under the first agreement in 1998 and allows the LAFD to transport Kaiser patients who are not in extremis or otherwise unstable directly to a Kaiser facility rather than to the closest hospital emergency department. For each member transported three (3) or more miles to a Kaiser facility when the closest or otherwise intended hospital emergency department is other than a Kaiser facility, the LAFD receives an additional fee to cover the costs associated with the extended transport.

On May 17, 2000 (C.F. 00-0625, Ord. No. 173325) the Targeted-Destination Ambulance Services Revenue Trust Fund (Kaiser Fund) was established by City Council resolution. Funds generated from the targeted destination ambulance services program are deposited into the Kaiser Fund to be used to enhance paramedic services throughout the City that are not funded within LAFD's operational budget.

This collaborative effort benefits both parties. Kaiser members are transported to a Kaiser facility of their choice and receive immediate medical care, thus negating the need for the member to be transported from the nearest hospital to a Kaiser facility. Furthermore, the additional revenue generated from the Targeted Destination Ambulance Services Program provide funding for the LAFD to enhance its provision of EMS care to Kaiser and all other patients through the purchase of critical medical equipment, specialized and advanced paramedic training, and vehicles for emergency medical services.

The fiscal year 2024-2025 revenue was \$969,690. This amount excludes the additional revenue of approximately \$70,000 that will be available after the new Agreement is approved, and targeted transports with a 2025 date of service are subject to the new rates. The estimated revenue for fiscal year 2025-2026 is \$1.1 million, and is expected to increase proportionately by the annual rate increase.

The City Attorney has reviewed and approved the Agreement as to legal form. Pursuant to Los Angeles City Charter Section 373, approval by the City Council is required.

FISCAL IMPACT

There is no impact to the General Fund. Funds received from the targeted-destination program will be deposited into Department 38, Fund 335, Account 38900G Targeted-Destination Ambulance Services Revenue Trust Fund.

Board report prepared by Alexis Cameron, Senior Management Analyst II,
Administrative Services Bureau.

Attachment

**AGREEMENT BETWEEN THE CITY OF LOS ANGELES
AND
KAISER FOUNDATION HEALTH PLAN, INC.
FOR PROVISION OF TARGETED-DESTINATION AMBULANCE SERVICES**

**CITY OF LOS ANGELES CONTRACT NO. _____
KAISER PERMANENTE AGREEMENT NO. ____**

This Agreement ("Agreement") is made and entered into by and between the City of Los Angeles, a municipal corporation ("City"), acting by and through the Los Angeles Fire Department, ("LAFD") and Kaiser Foundation Health Plan, Inc., a California non-profit public benefit corporation ("Kaiser" or "Contractor") (collectively, the "Parties," or individually, a "Party"), with reference to the following:

WHEREAS, Kaiser and its affiliated health plans (collectively, "KP") operate and administer health care benefit plans and provide or arrange for the provision of medically necessary health care services to persons who are entitled, at the time services are rendered, to receive services pursuant to the health care benefit plans (collectively, "Members"); and

WHEREAS, the LAFD constantly seeks to provide the highest quality service to the citizens of Los Angeles; and

WHEREAS, the LAFD's current protocol requires that patients transported in response to "9-1-1" telephone calls be taken to the nearest or most accessible and appropriate emergency department; and

WHEREAS, this protocol from time to time allows patients who are Members to be re-transported to a KP facility; and

WHEREAS, Kaiser and the LAFD agree that patients who are Members, and who are not in extremis or otherwise unstable, would benefit from being transported directly to a KP facility rather than to the nearest hospital emergency department and then to a KP facility; and

WHEREAS, Section 22.210.2(c) of the Los Angeles Administrative Code authorizes the Fire Chief to set rates for providing ambulance transport services to members of prepaid health plans for the purpose of providing patient transportation directly to a designated hospital; and

WHEREAS, Section 22.210.2(e) of the Los Angeles Administrative Code authorizes the Fire Chief to set rates on an annual basis for providing ambulance transport services, including ambulance transport services to members of prepaid health plans for the purpose of providing patient transportation directly to their designated hospitals; and

WHEREAS, this Agreement sets forth the terms and conditions pursuant to which Kaiser shall compensate the LAFD for targeted destination transport services at the specified rate, which compensation shall be separate from and in addition to any other applicable ground medical transport charges payable to the LAFD; and

WHEREAS, the LAFD shall deposit the compensation received under this Agreement into a separate special fund (known as the "Targeted-Destination Ambulance Services Revenue Trust Fund") used to enhance the LAFD's abilities to provide emergency medical services for all patients the LAFD treats and transports to all area hospitals and emergency departments; and

WHEREAS, the Parties hereto desire to continue ambulance transport services for eligible Members directly to a KP facility without a lapse in service.

NOW, THEREFORE, in consideration of the above promises, representations, covenants and agreements provided below, the Parties agree as follows:

1.0 PARTIES TO THE AGREEMENT AND REPRESENTATIVES

1.1 Parties to the Agreement

1.1.1 The City of Los Angeles, a municipal corporation, acting by and through the Los Angeles Fire Department, having its principal office at 200 North Main Street, 18th Floor, Los Angeles, California, 90012.

1.1.2 Kaiser Foundation Health Plan, Inc., a California non-profit public benefit corporation, having its principal address at 1800 Harrison St, 18th Floor, Oakland, California, 94612, Attn: Executive Director of Supply Chain Services.

1.2 Representatives of the Parties and Service of Notices

1.2.1 The City's representative is, unless otherwise stated in the Agreement:

Fire Chief
Los Angeles Fire Department
200 North Main Street, 18th Floor
Los Angeles, California, 90012
(213) 978-3800

With copies to:

Deputy Chief

Emergency Medical Services Bureau
200 North Main Street, Room 1880
Los Angeles, California, 90012
(213) 978-3885

- 1.2.2 Kaiser's representative is, unless otherwise stated in the Agreement:

Joanne Kauffman, Interim Regional Director
Medical Transportation Services
Kaiser Permanente Health Foundation, Inc.
12254 Bellflower Boulevard
Downey, CA 90242
(562) 545-1089
Joanne.Kauffman@kp.org

- 1.3 Formal notices, demands and communications to be given hereunder by either Party shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing. An email copy shall be delivered to the Kaiser Representative for awareness only.
- 1.4 If the name of the person designated to receive the notices, demands or communications or the address of such person is changed, written notice shall be provided as described in this Agreement, within five (5) business days of said change. As used in this section, "business days" shall refer to the days the City is open to the public for business.

2.0 TERM OF AGREEMENT

The term of this Agreement shall be effective as of January 1, 2025 and shall terminate on December 31, 2028, for four (4) years, unless otherwise terminated earlier as provided in this Agreement.

3.0 RATIFICATION

Due to the need for LAFD's "9-1-1" services to be provided continuously on an ongoing basis, the LAFD may have provided services prior to the execution of this Agreement. To the extent that the LAFD's services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified.

4.0 SERVICES PROVIDED BY THE LAFD

- 4.1 Subject to the eligibility criteria specified below, the LAFD shall use best efforts to transport eligible Members to a KP facility or an organization affiliated with KP in lieu of transporting such Members to the nearest hospital emergency department.
- 4.2 Whether a Member is eligible to be transported as provided herein shall be determined by the following factors:
 - 4.2.1 Consent of the Member;
 - 4.2.2 Evidence that the Member is a member of KP;
 - 4.2.3 A determination that the Member is not in extremis or otherwise in an unstable condition, which determination shall be made by the LAFD; and
 - 4.2.4 The number of requests for the LAFD's emergency services at the time transport is requested.
- 4.3 At all times, the decision to transport a Member to a KP facility, rather than to the nearest or most accessible facility, shall be at the sole discretion of the LAFD and in accordance with any of its applicable policies.

5.0 KAISER'S FINANCIAL OBLIGATION/COMPENSATION TO THE CITY

- 5.1 Subject to the terms of this Agreement, and separate from and in addition to any treatment and transport fees that may be payable to the LAFD for its provision of ground medical transportation, Kaiser shall pay the LAFD a flat program fee of \$225.00 (the "Program Fee"), established on January 1, 2025, for each Member transported three (3) or more miles to a KP facility when the closest or otherwise intended hospital emergency department is other than a KP facility.
- 5.2 The Program Fee shall be subject to an annual rate adjustment effective on January 1st of every year during the term of this Agreement. The annual rate adjustment shall reflect a two (2) percent increase above the prior year's Program Fee. The Program Fee shall be rounded up to the nearest dollar.
- 5.3 Payment of the Program Fee shall not be required for those instances where a KP facility is the closest facility to the incident location or the additional transport distance is under three (3) miles.
- 5.4 The LAFD shall submit invoicing data electronically each month to Kaiser. The invoice shall provide an itemization, listing each Kaiser Member's name, their membership number, the incident address, the targeted KP facility, the mileage, the date of service, and the diagnosis code.

- 5.5 Kaiser agrees to make payment to the LAFD within forty-five (45) business days of receipt of an invoice.
- 5.6 An invoice is deemed delinquent if payment is not received from Kaiser within forty-five (45) business days of the invoice date. The LAFD shall issue a notice of delinquency on the first date of invoice delinquency.
- 5.7 If payment is received from Kaiser within ten (10) days from the date of invoice delinquency, no late payment interest shall be charged to Kaiser.
- 5.8 If payment is not received from Kaiser within ten (10) days from the date of invoice delinquency, the LAFD shall charge late payment interest at the rate of eighteen (18) percent per annum, compounded daily (based upon a 365/66-day year) calculated from the date of invoice delinquency.

6.0 USE OF FUNDS

The LAFD shall utilize funds received from Kaiser to enhance the LAFD's emergency medical services program for the community.

7.0 PERFORMANCE DATA

The LAFD agrees to provide performance data related to the Members transported under this Agreement to Kaiser by the 15th of the month following the conclusion of each quarter, and provide subject matter experts to review the performance data with Kaiser representatives. The LAFD recognizes the need for Kaiser to have performance data that provides Kaiser with information that allows for the proper evaluation of the targeted destination program and opportunities for both the LAFD and Kaiser to enhance the overall success. This data may be used by the LAFD and Kaiser to collaboratively develop practices and policies that improve Emergency Medical Services (EMS) patient care throughout the Los Angeles region. This performance data may not be used by either Party to alter the conditions by which Members are transported to hospital facilities as outlined in Section 4.0.

8.0 HIPAA COMPLIANCE

The Parties agree that, in the performance of its duties under this Agreement, LAFD and Kaiser are acting as covered entities as described in HIPAA and regulations promulgated hereunder by the U.S. Department of Health and Human Services ("HIPAA Regulations"). Each Party, as a covered entity, shall comply with its obligations with respect to the confidentiality, privacy and security of patients' medical information and shall take the required steps to preserve the confidentiality of this information, including the training of staff and the establishment of proper procedures for the release of such information, as

required by HIPAA and the HIPAA Regulations and other applicable laws and regulations.

9.0 INDEMNIFICATION

Each Party shall indemnify and hold the other harmless from all loss or liability for injury or damage, actual or alleged, to person or property arising out of or resulting from the indemnifying Party's acts or omissions in the performance of this Agreement.

In the event of third-party loss caused by the negligence, wrongful act or omission of more than one Party, each Party hereto shall bear financial responsibility in proportion to its percentage of fault as may be mutually agreed between them or judicially determined.

10.0 TERMINATION

Either Party may terminate the Agreement, with or without cause, during the term set forth above, upon sixty (60) days prior written notice to the other Party.

11.0 MUNICIPAL LOBBYING ORDINANCE

Contractor is required to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance if Contractor qualifies as a lobbying entity under Los Angeles Municipal Code Section 48.02. Contractor shall complete and submit City Ethics Commission Form 50, attached hereto and incorporated herein as Exhibit A, to the LAFD. Failure to submit the form could subject the Contractor to penalties and/or result in termination of the Agreement.

12.0 ORDER OF PRECEDENCE

This Agreement, and any exhibits, attachments or documents incorporated herein by inclusion or by reference, constitutes the complete and entire Agreement between the City and the Contractor. In the event of any inconsistency between the body of this Agreement and the exhibits, the order of precedence shall be as follows:

- 1) This Agreement between the City and Kaiser; and
- 2) Any other exhibit or attachment in the order in which they are attached.

13.0 ENTIRE AGREEMENT

This Agreement, and any attachments or documents incorporated herein by inclusion or reference, constitutes the full and complete Agreement between the Parties and supersedes any prior representation, understandings,

communications, commitments, agreements, or proposals, oral or written. Any changes to this Agreement shall be in a written amendment, signed by the duly authorized representatives of both Parties. No verbal agreement or conversation with any officer or employee of either Party shall affect or modify any of the terms and conditions of this Agreement. The Parties acknowledge that they have read and understand the Agreement and had an opportunity to consult with counsel of their choosing. Neither Party shall be deemed the drafter of this Agreement. Ambiguities, if any, in this Agreement shall not be construed against any Party merely because this Agreement or any of its provisions have been prepared by a particular Party.

14.0 COUNTERPARTS AND ELECTRONIC SIGNATURES

This Agreement may be executed in one or more counterparts, and by the Parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The Parties further agree that facsimile signatures or signatures scanned into .pdf (or signatures in another electronic format designated by City) and sent by e-mail shall be deemed original signatures. This Agreement includes eight (8) pages and one (1) Exhibit.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

**THE CITY OF LOS ANGELES,
A Municipal Corporation**

By signing below, the signatory attests that they have no personal, financial, beneficial, or familial interest in this contract.

By: _____
RONNIE R. VILLANUEVA
Fire Chief
Los Angeles Fire Department

Date: _____

**KAISER FOUNDATION HEALTH PLAN, INC.,
A California Non-Profit Public Benefit Corporation**

By: _____
LINTON WHITE
Senior Vice President and Chief
Financial Officer for Southern California
and Hawai'i Markets – Kaiser
Foundation Health Plan, Inc. and
Hospitals

Date: _____

APPROVED AS TO FORM:
HYDEE FELDSTEIN SOTO, City Attorney

By: _____
STEPHANIE CAO
Deputy City Attorney

Date: _____

ATTESTED:
PETTY F. SANTOS, Interim City Clerk

By: _____
Deputy City Clerk

Date: _____

*Approved signature methods for California corporations:

A. Two signatures: one of the Chairman of the Board of Directors, President, or Vice President, and one of the Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer. The signature of a single individual holding offices in each category is also acceptable.

Or

B. One signature of a corporate-designated individual together with a properly attested resolution of the Board of Directors or a copy of the Bylaws authorizing the individual to sign.

City Agreement Number: _____

EXHIBIT A

CITY ETHICS COMMISSION

FORM 50

Bidder Certification

This form must be submitted with your bid or proposal to the City department that is awarding the contract noted below. If you have questions about this form, please contact the Ethics Commission at (213) 978-1960.

☐ **Original Filing** ☐ **Amendment:** Date of Signed Original _____ Date of Last Amendment _____

Reference Number (Bid, Contract, or RAMP)	Awarding Authority (Department awarding the contract)
Bidder Name	
Address	
Email Address	Phone Number

Certification

I certify the following on my own behalf or on behalf of the entity named above, which I am authorized to represent:

A. I am applying for one of the following types of contracts with the City of Los Angeles:

1. A goods or services contract with a value of more than \$25,000 and a term of at least three months;
2. A construction contract with any value and duration;
3. A financial assistance contract, as defined in Los Angeles Administrative Code § 10.40.1(h), with a value of at least \$100,000 and a term of any duration; or
4. A public lease or license, as defined in Los Angeles Administrative Code § 10.40.1(i), with any value and duration.

B. I acknowledge and agree to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance if I qualify as a lobbying entity under Los Angeles Municipal Code § 48.02.

I certify under penalty of perjury under the laws of the City of Los Angeles and the state of California that the information in this form is true and complete.

Name

Signature

Title

Date