

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON  
MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

REPORT  
RAPPORT

Our File/N/Réf.            L.1.1.99  
Your File/V/Réf.

DATE                        30 January 1998

TO/DEST.                 A/Co-ordinator  
                                 Corporate Services and Economic Development

FROM/EXP.                Chief Administrative Officer

SUBJECT/OBJET         **OSGOODE AMBULANCE SERVICE**

### **DEPARTMENTAL RECOMMENDATION**

1. **That Corporate Services and Economic Development Committee and Regional Council notify the Minister of Health that it will not bid on the RFP for the Osgoode ambulance service;**
2. **That Corporate Services and Economic Development Committee and Regional Council approve the appointment of the Chief Administrative Officer for the Township of Osgoode, Moira Winch, to be the Region's appointee to the Provincial selection committee for the Osgoode ambulance contract, subject to Osgoode Council's endorsement of Ms. Winch's appointment.**

### **PURPOSE**

This report sets out the background and proposed course of action for addressing the expiry of the Osgoode land ambulance contract.

### **BACKGROUND**

Under Bill 152, the *Services Improvement Act* (the Act), financial responsibility for ambulance service in Ottawa-Carleton was transferred to the upper-tier municipality effective January 1, 1998 while full administration and delivery of the service becomes an upper-tier responsibility on January 1, 2000. The Act also protects the existing licensed private operators until the Regional Municipality implements its chosen delivery system on January 1, 2000. However, the two year protection period provided in the Act did not contemplate, and therefore does not protect, three Ontario ambulance providers who operate under contracts with the Ministry of Health. This oversight gives rise to the matters addressed in this report.

## CONSULTATION

Regional staff has discussed the Osgoode land ambulance contract with representatives of the Township of Osgoode, Rural/Metro Ontario (the current Osgoode ambulance service provider), Ministry of Health staff and a representative for the local private ambulance operators.

## DISCUSSION

### Bill 152 - *Services Improvement Act*

Under Bill 152, the *Services Improvement Act*, section 6.3(1) 1. reads:

... the following operators shall be entitled to continue to be licensed to operate an ambulance service until the end of the protection period:

1. A person who was licensed to operate an ambulance service immediately before the beginning of the protection period.

The Ministry of Health has determined that this protection provision does not cover private ambulance operators delivering services pursuant to a contract with the Ministry of Health where the contract expires during the protection period. According to Ministry of Health officials there are only three contracted services in Ontario that have been impacted by this legislation. There is no other provision of the Act, or subsequent regulation, that either extends the protection benefits to these contracted services or clarifies that the language of the Act includes contract providers.

### Osgoode Land Ambulance Service

This interpretation of the provision directly impacts a contract between the Ministry of Health and Rural/Metro Ontario for land ambulance services provided in the Township of Osgoode. The contract with the Ministry of Health for the provision of land ambulance services in Osgoode is scheduled to expire on March 31, 1998.

The Ministry of Health offered licenses to both Rural/Metro Ontario and the two other Ontario contract providers for the duration of the protection period. In so doing, this would extend the legislated protections to the formerly contracted providers. Given the financial impact, Rural/Metro has declined the Province's offer. The change from a contract to a license results in a significant reduction in the management fee payable to Rural/Metro Ontario. According to Ministry of Health staff, the other two contracted services have accepted licenses to December 31, 1999.

The Osgoode land ambulance service currently consists of one ambulance and a staff of 6 ambulance attendants working a 16 hour day with on call service for the balance of the twenty-four hour period. Based on figures from the 1996-97 Ontario Government Public Accounts, the cost of the "Prescott, Osgoode and District Ambulance Service" was \$387,590.00.

### Provincial Request For Proposals

In light of Rural/Metro Ontario's decision not to accept the interim license, the Provincial Government has announced its intention to release a Request for Proposal (RFP) to select a new provider for the Osgoode service. As of the writing of this report, notice of the RFP is to be advertised on Saturday January 31, 1998 in local newspapers, while the actual RFP documents will be released on February 2, 1998. Based on this schedule, the Provincial Ministry of Health has identified the following key dates.

February 12, 1998 - public meeting with full selection committee to present the RFP and answer any questions from potential service providers

February 26, 1998 - noon - closing of tenders for Osgoode RFP

March 2, 1998 - meeting of selection committee in Ottawa-Carleton to review submissions

March 3, 1998 - meeting of selection committee in Ottawa-Carleton, interviews with bidders as required and final selection of successful bidder

The new contract is to take effect April 1, 1998 and will expire on December 31, 1999. In the event that Regional Council chooses not to bid on the RFP for Osgoode, the Ministry of Health has asked for an RMOC nominee to the five person selection committee. Regional Council's decision is required on February 11, 1998 in order for the RMOC nominee to participate in the February 12, 1998 public meeting.

### CONCLUSION

The Regional Municipality of Ottawa-Carleton does not currently have the expertise necessary to directly operate a land ambulance service. With a start-up date of April 1, 1998, there is insufficient time to acquire the necessary skills to manage and deliver this service and provide Osgoode residents with the best possible land ambulance program. Nor do we, at this time, have the expertise or background necessary to determine that the Osgoode land ambulance service could be delivered more cost effectively or efficiently as a direct service of the Regional Government.

It could be argued that the Osgoode land ambulance contract provides an excellent opportunity to gain hands-on experience in the ambulance industry. With the contract award date scheduled for March 3, 1998, the successful bidder has less than thirty days to prepare for the assumption of the Osgoode service. Staff believes that Osgoode residents would be better served to December 31, 1999 with a service provided by private sector experts in this field.

Staff is confident that our close working relationship with both the local ambulance providers, the Ministry of Health and other upper-tier municipalities who are addressing the devolution of ambulance services, will give Regional Council the necessary expertise to address the future transition to regional ambulance responsibility. During this two year transition, the best interests

of Osgoode residents would not be served by Regional Council bidding on and winning the Osgoode contract.

Should Committee and Council concur with staff's recommendation, the RMOC has an opportunity to appoint one individual to the Province's selection committee. Staff recommends the appointment of Moira Winch, Chief Administrative Officer for the Township of Osgoode, to the Provincial RFP selection committee. Given that the Township has not been consulted by the Province leading up to the decision to release an RFP and given that the proposed service will most directly impact the lives of Osgoode residents, regional staff believes that the best interests of Osgoode residents and Regional Council can be met with the appointment of Ms. Winch to the selection committee.

#### FINANCIAL IMPLICATION

A decision by Regional Council to submit a bid would have major financial implications. Based on figures from the 1996-97 Ontario Government Public Accounts, the cost to the Province for the "Prescott, Osgoode and District Ambulance Service" was \$387,590.00. In the event that staff's recommendation is accepted, Regional Council will reimburse the Province for this and all other ambulance services in accordance with the provincial service transfer numbers that have yet to be finalized.

*Original Signed by  
C.M. Beckstead*

CMB/KDM/wcm

APPENDIX A

Our File/N/Réf.  
Your File/V/Réf.

DATE 8 January 1998

TO/DEST. Chief Administrative Officer

FROM/EXP. Director, Policy and Legislative Services

SUBJECT/OBJET **CONDITIONS FOR ASSUMPTION OF LAND AMBULANCE SERVICES**

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I would like to clarify my advice regarding the ability of an upper-tier municipality to simply ask the Minister of Health for the provincial ambulance service in their jurisdiction and thereby avoid the RFP process.

As everyone knows, on January 1, 2000 the complete responsibility for all aspects of the delivery and administration of land ambulance services will fall to the upper-tier. As I previously indicated, the legislation does not allow an upper-tier municipality to just ask for the provincial land ambulance service before the year 2000.

My clarification comes in the description of the following two options. If we want to deliver land ambulance service before the year 2000 ( at this time, focusing on the Osgoode and provincially operated service) we have the following two options:

1. When the RFP for the Osgoode or the Ottawa-Carleton Land Ambulance Service (O-CLAS) is released we may submit a bid. If successful, we would be providing land ambulance service subject to the terms and conditions imposed by the Province. As an operator, we would also likely be subject to the province's general license management routines and requirements.
2. If we want to become the Osgoode or O-CLAS provider we can do so if , we obtain the approval of the Minister and we assume the complete responsibility for all aspects of land ambulance service in Ottawa-Carleton. Therefore, the responsibilities we are obliged to assume on January 1, 2000 (management, administration, supply and vehicle purchases, etc.) would be assumed before January 1, 2000 simultaneously with the direct delivery of the service.

**Comment**

As previously stated, we have no authority under the legislation to tell the Province we want to assume just the Osgoode or Ottawa-Carleton Land Ambulance services, without also assuming all other aspects of land ambulance responsibilities in Ottawa-Carleton. If we want to assume just the Osgoode or Ottawa-Carleton Land Ambulance services, then the only way is to be the successful bidder under the Province's RFP process.

It is important to note, that even if Regional Council decides to advance the date for full assumption of land ambulance responsibilities as a means of controlling the delivery of the Osgoode or provincial service, the remaining private operators continue to be protected until January 1, 2000. Therefore, the Region, having assumed full responsibility before the year 2000, could not make any changes that would affect the licenses of the private operators before January 1, 2000.

I hope this clarifies the discussion regarding assumption of the Provincial service.



Kelly D. McGee

Attach. ( 1 )

cc: Commissioner, Environment and Transportation  
Medical Officer of Health  
Regional Solicitor

# Caroline Engelmann Gottheil

BARRISTERS AND SOLICITORS · AVOCAT(E)S

Peter Engelmann\*  
Michael Gottheil  
Gary Caroline  
Richard Ellis  
Frederica Wilson  
Robert Monti  
Lise M. Leduc  
Anne Touchette

## APPENDIX B

February 4, 1998

Mr. Keith Dykes  
President  
OPSEU, Local 413  
118 Kennevale Drive  
Nepean, Ontario  
K2J 3X7

Dear Mr. Dykes:

**Re: Provision of Ambulance Services by a Municipality during the Protection Period**

You have asked for our legal opinion as to whether the Regional Municipality of Ottawa-Carleton (RMOC) can assume the responsibility for the provision of ambulance services prior to the onset of the mandatory period post January 1, 2000. We have studied the provisions of Bill 152 and are confident in concluding that there is no statutory roadblock to the RMOC assuming responsibility for land ambulance services from the Ottawa-Carleton Regional Ambulance Service (OCRAS) at any time between January 1, 1998 and December 31, 1999 and to provide those services itself.

As you know, the provision of land and air ambulance services within the province of Ontario is governed by the *Ambulance Act* (the "Act"). Important aspects of the *Act* were amended by Schedule "A" of the government's Bill 152 which was given royal assent by the legislative assembly on December 8<sup>th</sup>, 1997. Schedule A to Bill 152 has resulted in changes with respect to which tier of government is responsible for the delivery and cost of land ambulance services.

Although the province will retain jurisdiction with respect to the licensing of operators of ambulance services under the *Ambulance Act*, the responsibility for delivering and paying for those services has for the most part been shifted to municipal government. Our opinion is limited to the effect of Bill 152 on the provision of land ambulance services in the Regional Municipality of Ottawa-Carleton.

The divestment of ambulance services and their transfer to municipal governments is spelled out in section 6(1) of Schedule "A". It reads:

[E]very upper-tier municipality shall,

- (a) on and after January 1, 1998 and except as otherwise provided by regulation, be responsible for all costs associated with the provision of land ambulance services in the municipality, and
- (b) on and after January 1, 2000, be responsible for ensuring the proper provision of land ambulance services in the municipality in accordance with the needs of persons in the municipality.

The RMOC falls within the *Act's* definition of upper-tier municipality found in section 2(7) of the Schedule of amendments to the *Ambulance Act*.

The amendments create a two year "protection period". It simply provides for a transition from provincial to municipal responsibility for land ambulance services. The municipalities affected, including the RMOC will be responsible for all costs associated with land ambulance services within their territory but are not required to provide them. The purposes of a two year protection period are obvious. For the most part, municipalities in Ontario lack the infrastructure necessary to assume the provision of ambulance services within their boundaries. While the existence of a protection period may make sense in this context, the municipalities are still responsible for all the costs of the service, whether or not they have assumed responsibility for providing them. The *Act* has thus created a possible dichotomy between the level of government responsible for providing the service and that which bears the financial burden.

It may therefore be of interest to the municipalities concerned to control the provision of ambulance services to the public as early as possible since by doing so, they control their costs. Taxpayers within the municipalities will be assuming the costs and could therefore direct their enquiries or complaints about the service to their local government. It may therefore be advantageous to the municipalities to assume the provision of ambulance services sooner rather than later.

While ultimately irrelevant to our legal opinion on this matter, the thinking described above may explain why the amendments to the *Act* allow for the assumption of control over ambulance services by municipalities during the protection period and the authority to provide those services itself. The amendments state at section 6(4) under the heading "[E]arly responsibility for provision of services":

Despite clause (1)(b) and subsection (3), and subject to section 6.3, at any time during the protection period, any upper-tier municipality may, with the approval of the Minister, assume responsibility for ensuring the proper provision of land ambulance services in the municipality in accordance with the needs of persons in the municipality.

The RMOC may therefore assume the jurisdiction over and provide ambulance services directly, subject to it obtaining the approval of the Minister.



The *Act* further provides municipalities such as the RMOC with the authority to select and enter into agreements with licensed operators [ref. 6(5) & 6(6)]. The selection of a provider by the municipality during the protection period must be made in accordance with sections 6.4 and 6.5 [ref. 6(6)].

The *Act* is clear in allowing for an upper-tier municipality to directly provide ambulance services to the public. Sections 6.1(4)(b), 6.1(5) and 6.4(3)(b) state that in “selecting a person” who will provide land ambulance services, a municipality may “provide land ambulance services itself”. There is nothing in the *Act* which would prevent the RMOC from providing land ambulance services during the protection period. In point of fact, the section of the *Act* dealing with a municipality assuming responsibility for services during the protection period makes the selection of an operator subject to section 6.4. As noted, section 6.4(3)(b) grants to the municipalities the authority to “provide the ...services itself”.

We can identify nothing in the *Act* which would require a municipality to assume responsibility during the protection period for providing services to all areas within the municipality simultaneously. Existing licenses may expire at different times during the protection period. Any requirement to provide services simultaneously jurisdiction-wide would render the right to provide those services meaningless in many if not most cases. We believe that any limitation on municipal rights during the protection period could only be based on the existence of clear language in the *Act* limiting those rights or powers. No such restrictive language appears in the *Act*.

The amendments to the *Act* allow for operators licensed immediately before the protection period to continue providing services during the protection period. We do not view this as a problem since, in any event, OCRAS is not a licensed operator within the meaning of the *Act*. Nor is it necessary as an upper-tier municipality for it to arrange for the provision of land ambulance services only after a request for proposals is issued by the municipality [6.4 (3)]. The RMOC is free to negotiate with the provincial government to effect a transfer of equipment and personnel from OCRAS to it.

The *Act* provides for the Minister to determine the portion of costs paid by the province for provision of land ambulance services within each upper-tier municipality and to bill the municipality for those services. However it also allows for the municipality to pay for those services directly if they have assumed the responsibility for ensuring the provision of those services [ref. 6.6 (8)] during the protection period. This provision speaks to the municipality assuming responsibility for the provision of services and not necessarily delivering those services itself. Thus the broad language used in section 6.6 (8) lends support to our opinion that the RMOC during the protection period may not only assume responsibility for “proper provision of land ambulance services” but do so both directly and through licensed operators.

As noted at the outset of our opinion, the amendments to the *Ambulance Act* affected through Bill 152 clearly allow an upper-tier municipality such as the RMOC the authority to assume

responsibility for the provision of ambulance services within its jurisdiction during the two year protection period. It may do so either itself or through a licensed operator it chooses.

Yours truly,

**CAROLINE ENGELMANN GOTTHEIL**

A handwritten signature in black ink that reads "Gary Caroline". The signature is written in a cursive style with a large, prominent "G" and "C".

Gary Caroline

98003

Ministry  
of  
Health

Ministère  
de  
la Santé



Emergency Health  
Services Branch  
75 Spring Street, Box 790  
Almonte, ON KOA 1A0

Direction des services  
de santé d'urgence  
75, rue Spring, C.P. 790  
Almonte, ON KOA 1A0

Telephone/Téléphone: (613) 256-3070  
Facsimile/Télécopieur: (613) 256-4318

File: 497RPF

February 02, 1998

Via Fax

**MEMO TO:** C.M. Beckstead  
Chief Administrative Officer  
Regional Municipality of Ottawa Carleton

**FROM:** Frank G. Payette  
Assistant Regional Manager  
Eastern Ontario

**RE:** Osgoode Ambulance Service Report

We have reviewed your report dated January 30<sup>th</sup>, 1998 which was faxed to our office this date and would like to make the following clarifications:

- Page 3, the second last paragraph;

The Ministry offered Rural/Metro Ontario the opportunity to continue to provide service in Osgoode by means of a satellite station of the currently licensed St. Lawrence & District Ambulance Service (owned by Rural Metro).

This offer was consistent with Rural/Metro Ontario's request to assign the Osgoode contract to the St. Lawrence & District Ambulance Service.

Rural/Metro Ontario declined this option.

- .. Page 3 last paragraph;

The Osgoode Land Ambulance Service currently consists of one ambulance and a staff of 6 Paramedics working a 12 hour day with on-call service for the balance of the twenty-four hour period.

Trusting the above will be of assistance.

Frank G. Payette

FGP/gm

cc Kelly D. McGee, Director Policy and Legislative Services, RMOC

M. Bates, Senior Manager, Patient Care Services, Standards & Investigations Group, EHSB

B. Clarke, Project Transfer Manager, Emergency Health Services Branch

Regional Municipality of Ottawa-Carleton  
Ottawa-Carleton Centre, Cartier Square  
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**C.M. Beckstead**  
Chief Administrative Officer/  
Directeur général

**APPENDIX D**

5 February 1998

File: L.1.1.99

Emergency Health Services Branch  
Eastern Ontario  
Ministry of Health  
75 Spring Street, Box 790  
Almonte, Ontario K0A 1A0

Attention: Frank G. Payette  
Assistant Regional Manager

**Re: Osgoode Land Ambulance Service  
Request for Proposals (RFP) # 97-0745**

Dear Mr. Payette:

On February 3, 1998, the Region's Corporate Services Committee met to consider the January 30 report on the Osgoode Land Ambulance Service. The Corporate Services Committee voted to refer this item for consideration at the Community Services Committee meeting of February 19 with a decision to be made at the subsequent Regional Council meeting of February 25.

Please be advised that the Region does intend to appoint a representative to the evaluation committee for the Osgoode Ambulance Service RFP. As soon as I receive approval from Council to name this representative, I will advise you accordingly. As the deadline for submission of proposals for the RFP is February 26, we expect that the representative from the Region will participate fully in the evaluation process.

*Quality service delivered with care,  
competence and integrity.*

*Des services de qualité, avec humanité,  
compétence et intégrité.*

If you have any further questions or concerns about this matter, please do not hesitate to contact me at the above-noted number.

Yours truly,

A handwritten signature in black ink, appearing to read 'C.M. Beckstead', written in a cursive style.

C.M. Beckstead  
Chief Administrative Officer

CMB/JJJ/wcm

cc: Mary Jo Woollam, Regional Clerk, RMOC  
Kelly D. McGee, Director, Policy and Legislative Services, RMOC  
Moira Winch, CAO, Osgoode Township