

**AGREEMENT BETWEEN THE TOWN OF OLIVE  
AND THE OLIVE FIRST AID UNIT, INC.  
FOR GENERAL AND EMERGENCY AMBULANCE SERVICE  
AND BASIC LIFE SUPPORT SERVICES IN THE TOWN OF OLIVE**

**THIS AGREEMENT**, made the 1st day of April 2016, between the **TOWN OF OLIVE**, a municipal corporation with offices at 45 Watson Hollow Road West Shokan, New York 12494 (hereinafter "Town") and **OLIVE FIRST AID UNIT, INC.** (hereinafter "OFAU"), a domestic, not-for-profit corporation organized and existing under the laws of the State of New York, with its office and principal place of business located at 19 Church Street, Shokan, New York 12481 and mailing address of P.O. Box 151 Shokan New York 12481;

**WITNESSETH:**

In consideration of the mutual promises recited herein and other good and valuable consideration the receipt of which is acknowledged by the parties, and for such additional consideration as may be provided for herein, TOWN does contract with OFAU to furnish general and emergency ambulance service and basic life support ("BLS") services in TOWN and OFAU agrees to furnish such ambulance and services, subject to the following provisions:

1. **TERM**

A. This AGREEMENT shall be effective from the May 1, 2016 to December 31, 2016 and may be renewed.

B. This AGREEMENT will automatically renew for a one-year term from January 1, 2017 to December 31, 2017.

C. This AGREEMENT may be renewed prior or subsequent to its expiration by written consent of the parties. This AGREEMENT will automatically renew for a twelve-month term in the event that: (1) no new agreement is established between the parties prior to the expiration of the term this AGREEMENT and (2) a party has not advised the other party in writing that it will not renew the AGREEMENT. Either Party may elect not to renew this AGREEMENT upon providing ninety (90) days written notice of its intention not to renew the AGREEMENT to the other party at address listed above.

## **2. CONTRACT AMOUNT**

A. As partial consideration for the contracted services provided pursuant to this AGREEMENT during the term set forth above, TOWN will pay OFAU the sum of One Hundred Sixty-Three Thousand Eight Hundred Thirty-Three Dollars (\$163,833.00). Said contract amount will be due and payable in one installment

on or before June 14, 2016. B. As partial consideration for the contracted services provided pursuant to this AGREEMENT during the 2017 term set forth in 1.B above, TOWN will pay OFAU the sum of Two Hundred Fifty-Eight Thousand Dollars (\$258,000.00). Said contract amount will be due and payable in two installments: Installment #1 in the amount of \$129,000.00 on or before March 31, 2017; and Installment #2 in the amount of \$129,000.00 on or before July 31, 2017.

C. Absent any agreement to the contrary, in the event that this AGREEMENT automatically renews for subsequent terms, the payment of the contract amount will be in two installments dates for payment of the contract amount by TOWN to

OFAU will be Installment #1 on or before March 31, and Installment #2 on or before July 31 of the respective year.

**3. MODIFICATION AND ASSIGNMENT**

This AGREEMENT may be modified in writing upon the consent of both parties. Pursuant to General Municipal Law §109, this contract may not be assigned or transferred by OFAU without the prior written consent of TOWN.

**4. OFAU'S OBLIGATIONS**

A. OFAU will provide BLS services including general and emergency ambulance service to residents of the TOWN and to non-residents for medical emergencies occurring in the TOWN. OFAU will conduct its operations pursuant to this AGREEMENT and under the authority conferred by means of an Operating Certificate obtained from the New York State Department of Health pursuant to Article 30 of the Public Health Law. Pursuant to General Municipal Law §122-b and to the fullest extent permissible by law, operational responsibility and authority for providing such services shall be contractually assigned and delegated by TOWN to OFAU. OFAU will be responsible for supplying, maintaining, and equipping ambulances and for providing sufficient and properly trained personnel for the provision of such BLS ambulance service and shall comply with the lawful mandates of the State of New York Department of Health and the Hudson Valley Regional EMS Council for the operation of such ambulance service. OFAU will employ paid staff for the provision of the services identified herein. OFAU will provide one paid staff ambulance 24 hours per day 7 days per week. OFAU will participate in reciprocal EMS mutual aid agreements

with similar providers to assure coverage on occasions when multiple calls or calls with multiple patients occur within the TOWN. OFAU will enter into agreements to utilize the services of regional Advanced Life Support (“ALS”) providers in circumstances where the provision of ALS is warranted by regional protocols.

B. OFAU will seek revenue recovery from persons utilizing the ambulance service patient billing and revenue recovery procedures in general practice within the industry and as more fully set forth in Paragraphs 5 and 8 below.

**5. TOWN’S OBLIGATIONS**

A. To the fullest extent permitted by law, TOWN assigns and delegates to OFAU the authority and responsibility necessary to provide general and emergency ambulance and basic life support services pursuant to General Municipal Law § 122-b.

B. TOWN will enact such lawful resolutions and execute such documents and agreements as may be necessary to effect the intent and purposes of this AGREEMENT.

C. TOWN authorizes that all calls for emergency medical assistance originating in the TOWN be dispatched by the County of Ulster to OFAU and to such other fire service based emergency medical services providers as existing or revised dispatch protocols dictate.

D. For the duration of this AGREEMENT, TOWN, authorizes OFAU to pursue the collection of fees and charges (hereinafter “revenue recovery”) from the users

of the services provided pursuant to this AGREEMENT, as well as from such users' insurers, guarantors, and legally responsible representatives.

E. OFAU is authorized by TOWN to adopt a schedule of fees and charges that are usual and customary for the services provided. Such schedule of fees and charges is annexed hereto and made a part hereof as Schedule "A".

F. Pursuant to the express terms of this AGREEMENT and to the fullest extent permitted by law, TOWN delegates and assigns to OFAU all of TOWN'S authority, rights, and responsibilities to pursue and obtain revenue recovery from those persons and entities lawfully responsible for the payment of charges for ambulance and emergency medical services (including BLS related charges of every sort), provided in TOWN.

## **6. REVENUE RECOVERY**

A. OFAU as the contracted transporting agency will bill patients, their insurers (including private insurers, Medicare and Medicaid) and guarantors at the usual and customary rates for the provision of ambulance services for BLS medical services and, to the extent permitted by law, for ALS charges on behalf of ALS providers for services rendered intercepting agencies and providers pursuant to ancillary agreements. Bills for services will only be submitted to patients transported to a health care facility or for other or additional billable services as may be permitted by law.

B. Pursuant to General Municipal Law § 122-b(2), the fees and charges set forth in Schedule "A" will be the applicable rates and charges for services that will be billed for purposes of revenue recovery.

C. The expenses incurred for pursuing revenue recovery shall be borne by OFAU and OFAU may contract with a billing vendor(s) to supply revenue recovery services. All proceeds received from revenue recovery will be deemed to be additional consideration pursuant to this AGREEMENT due and owing to OFAU by TOWN. Such proceeds may be remitted directly to OFAU by the billing vendor with appropriate documentation and accounting as provided for herein and pursuant to the ancillary agreement between the billing vendor and OFAU.

D. OFAU will retain and utilize the services of a competent ambulance billing vendor to pursue revenue recovery as provided for under this AGREEMENT. All expenses incurred for billing vendor services will be properly chargeable to OFAU. The scope of services to be provided by such billing vendor together with fees and charges for the provision of such services will be set forth in an ancillary agreement between OFAU and the billing vendor. Said ancillary agreement with the billing vendor may provide that fees and charges incurred for billing vendor services may be deducted from the proceeds of revenue recovery. All revenue collected by the ambulance billing vendor will be deposited in a federally insured bank account pending transmittal to OFAU. Pursuant to the terms of the ancillary billing vendor agreement, OFAU and billing vendor will implement procedures and policies for the administration, transmittal, and disbursement of revenue recovery funds. All efforts initiated (including notices, invoices, statements, etc.) at revenue recovery and all funds received by billing vendor through revenue recovery for OFAU services provided in the TOWN shall be kept discrete and readily identifiable as generated by services provided by OFAU.

E. To the extent TOWN may reasonably request additional reporting, accounting, or documentation of revenue recovery efforts for services provided in the TOWN, OFAU agrees to secure such additional information from billing vendor in a timely fashion and provide same to TOWN.

#### **7. INDEMNITY**

To the fullest extent permitted by law, OFAU will defend, indemnify and hold harmless the TOWN in any claim for personal injuries, damages, or administrative enforcement arising out of OFAU's operations, actions, or obligations, including revenue recovery operations, under the AGREEMENT. To the fullest extent permitted by law, the TOWN will indemnify and hold harmless OFAU in any claim for personal injuries, damages, or administrative enforcement arising out of TOWN'S operations, actions, or obligations under this AGREEMENT.

#### **8. INSURANCE**

OFAU shall procure and maintain insurance including: EMS practitioner's liability coverage with limits of liability of not less than \$1 million dollars primary coverage per occurrence and \$2 million dollars aggregate; commercial general liability insurance with minimum limits of \$1 million dollars primary coverage and \$3 million dollars excess/umbrella; and business vehicle coverage on all vehicles with minimum limits of \$1 million dollars primary coverage and \$3 million dollars excess/umbrella. OFAU shall name the TOWN as an additional insured on a primary basis under such policy(ies) for any claims arising out of the operations, actions, or obligations of OFAU in providing ambulance services. OFAU will

provide a certificate(s) of insurance to the TOWN evidencing the existence of the procured coverages and the additional insurance endorsements required herein.

## **9. AUDIT AND FINANCIAL CONTROL**

On a Monthly Basis

- The billing vendor will provide OFAU with a statement of the gross amount received through revenue recovery during the preceding calendar month.
- The billing vendor will provide OFAU with a statement of monthly charges incurred and accrued for revenue recovery efforts during the preceding calendar month. OFAU will be responsible for reviewing the statement and be responsible for payment of such charges properly due and owing to billing vendor.

On or before September 1, 2016 for the initial three (3) months of operation:

- OFAU will provide TOWN with an interim report evidencing the number of calls generating bills, amounts billed, revenue received, accounts deemed uncollectible and such other non-privileged financial information as the TOWN may require.

On a Quarterly Basis:

- OFAU will provide the TOWN with reports prepared by OFAU or its billing vendor evidencing the number of calls generating bills, amounts billed, revenue received, accounts deemed uncollectible and such other non-privileged financial information as the TOWN may require.

The reports and documentation required on a quarterly basis will be provided to TOWN in an acceptable and customary format. Nothing herein shall require OFAU to disclose a patient's identity or other protected health information as governed by HIPAA or other governmental statute, rule or regulation.

On an Annual Basis:

- OFAU will have a review of its financial status and revenue recovery operations performed by a certified public accountant and a copy of such review shall be provided to the TOWN.



SCHEDULE "A"

FEEES AND CHARGES FOR SERVICES RENDERED  
*(DELETE AS APPROVED BY TOWN PURSUANT TO GML §122-b (2))*

BLS BASE RATE \$ 750.00

MILEAGE (LOADED MILE) \$ 20.00