

Exhibit “A”

TOWNSHIP OF WEST ORANGE

COMPETITIVE CONTRACT REPORT

FOR EMERGENCY MEDICAL SERVICES

Overview

The Township of West Orange (the "Township") is authorized to provide emergency medical services ("EMS Services") for the residents of the Township and others within its boundaries under the general police powers granted pursuant to N.J.S.A. 40:48-2.

Pursuant to N.J.S.A. 40A:11-4.1(f) of the Local Public Contracts Law, contracting units are authorized to utilize competitive contracting for the procurement of emergency medical services.

On October 1, 2013 the Township Council adopted Resolution #180-13 authorizing the use of competitive contracting pursuant to N.J.S.A. 40A:11-4.3 for the procurement of a contract for emergency medical services.

On January 22, 2014, the Township issued a Request for Competitive Contracting Proposals for Emergency Medical Services (the "RFP"). The RFP required that the awarded vendor would provide EMS Services for the Township twenty-four (24) hours per day, seven (7) days per week, and 365 days per year for a contract term of one (1) year with options to renew up to five (5) years. The awarded vendor would supplement the EMS Services provided by and through the Township's Fire Department, including supplying personnel, equipment, vehicles and supplies to provide basic life support ("BLS") emergency ambulance service to transport any person who becomes injured or ill within the Township limits and who require EMS Service or transport.

The initial RFP was structured whereby each vendor would propose a premium to be paid to the Township based on a range of all dispatched calls received by the vendor. The awarded vendor would be provided a guaranteed minimum call volume. The awarded vendor would then be authorized to bill patients through Medicare, Medicaid or other insurance for their service, but was barred from billing Township residents who are uninsured or for charges not covered by insurance, a practice referred to a "balance-billing." To accommodate the awarded vendor for not engaging in balance-billing, the Township would pay to the awarded vendor a cash subsidy. The awarded vendor was also required to pay rent for the use of the Township's facility at 25 Mt. Pleasant Place where they would be required to devote one (1) emergency vehicle for use solely within the Township.

A mandatory pre-proposal meeting occurred on February 7, 2014 where eight (8) prospective vendors attended to raise and address any questions or issues regarding the contract for EMS Services and the Township's RFP.

On or about March 5, 2014, a lawsuit was filed by a prospective bidder challenging the Township's RFP. The prospective bidder alleged that the framework of the Township's RFP was in violation of the Federal Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b). Though the Federal Anti-Kickback Statute had never been applied to a local government entity in this manner and though the question was pending before the Office of the Inspector General within the United State Department of Health and Human Services, the Township revised the RFP with

issuance of Addendum No. 5¹ which amended the structure of the EMS Services contract. In the revised RFP, the guarantee of the minimum call volume was removed and the payment of a cash subsidy in lieu of balance billing was removed. Instead, the Township would deduct the costs for services to uninsured residents or for charges not covered by insurance from the annual rent obligation due from the awarded vendor.

On April 22, 2014, the Township advertised Addendum No. 5 in the New Jersey Star Ledger.

On Tuesday May 13, 2014 the Township received two (2) proposals. The following vendors submitted proposals:

Fuchs EMS & Medical Transportation Services ("Fuchs")
16-00 Highway 208 Suite LL3
Fair Lawn, NJ 07410

Monmouth-Ocean Hospital Service Corporation ("MONOC")
4806 Megil Road
Neptune, NJ 07753

Pursuant to the Local Public Contracts Law and the New Jersey Administrative Code, the Township created an Evaluation Committee (the "Committee") to establish weighted criteria for the evaluation of proposals and evaluate and score the proposals. The Committee was composed of five (5) members including:

- (1) Anne DeSantis, Purchasing Agent for the Township,
- (2) John Gross, Chief Financial Officer for the Township,
- (3) Peter F. Smeraldo, Jr., Fire Chief and OEM Coordinator for the Township,
- (4) Paul Wannemacher, Deputy Fire Chief and OEM Deputy Coordinator for the Township; and
- (5) Robert Martin, Captain of the West Orange Police Department.

Pursuant to N.J.A.C. 5:34-4.3(f) each member of the Committee executed a certification that they do not have a conflict of interest as to any of the vendors.

In addition, the Committee utilized an advisor to assist in evaluating the proposals: Mark Y. Moon, Esq. from the office of the Township Attorney, Richard D. Trenk, Esq.

¹ Addendum #1, Addendum #3, Addendum #4 and Addendum #6 rescheduled the submission date for proposals and did not substantive amend any section of the RFP. Addendum #2 was the issuance of responses to various questions submitted by prospective vendors.

The Process

Prior to the evaluation of the proposals, the Committee met and established weighted criteria for the evaluation of proposals as follows:

A. Technical Criteria –

	Weighting
General Objectives	5
Basic Services	15
Vehicle and Other Equipment and Supplies	15
Quality Assurance	5
Records, Reports and Audits	15

B. Management Criteria –

	Weighting
Vehicle Coverage and Staffing	15
Management and Personnel Qualifications	10
References	5

C. Cost Criteria

	Weighting
Billing	10

Each evaluator was to provide a scoring in each category on a scale of 1 through 5 to determine the base score for each category with 1 representing Poor or Unsatisfactory, 2 representing Weak/Below Average, 3 representing Average or Satisfactory, 4 representing Good/Above Average, and 5 representing Excellent. Each evaluator was then instructed to multiply that base score by the weighting as previously determined by the Committee to determine the Weighted Score.

Evaluation

Upon initial review of the proposals the Committee found that MONOC's proposal was non-responsive to the substantive changes in the RFP as required in Addendum 5 to the Township's RFP. As a result, the Committee rejected MONOC's proposal and did not evaluate or score the proposal at all.

Each member of the Committee separately evaluated and scored the remaining proposal submitted by Fuchs.

By way of summary, the following sets forth the cumulative score for Fuchs' proposal:

<u>Vendor</u>	<u>Total Base Score</u>	<u>Total Weighted Score</u>
Fuchs	121	1260

Conclusion/Recommendation

The Committee recommends that the Contract for EMS Services be awarded to Fuchs E.M.S. & Medical Transportation Services. In light of the minimal response to the Township's RFP, the Committee further recommends that the Contract be awarded for a one (1) year term.