

**Subject: Medevac Services****APPROVALS:**

Brian Makey, Executive Director  
Marcel Ulliac, Interim Chief Administrative Officer

**Administrative Recommendation:**

1. That funding of \$1,500,000 be considered to be allocated from the 2014 Regional Emergency Services Operating surplus as part of a partnership agreement to fund medevac services for the region for a period of one year, following which it will be reviewed.
2. That in the event the 2014 Regional Emergency Services Operating surplus is insufficient, the funds be considered to be allocated from Office of the COO Division surplus.
3. That in the event the 2014 Office of the COO Division surplus is insufficient, the funds be considered to be allocated from the Emerging Issues Reserve.

**Summary:**

In a public announcement on May 16, 2014, Phoenix Heli-Flight stated that it would cease to provide dedicated night medevac services unless a sustainable funding model is reached.

The services provided by Phoenix Heli-Flight are the only medevac services available to the region, and until recently were only available during the day.

On May 28, 2014, MLA Don Scott hosted a meeting with all stakeholders. Attendees included representation from the Municipality, Alberta Health Services (AHS), Phoenix Heli-Flight, Suncor Energy Inc. and Syncrude Canada Ltd and MLA Mike Allen.

A funding model was proposed whereby the Municipality, industry stakeholders, and AHS would equally share the costs of operating the service. AHS is not in agreement of a lump-sum funding model, but did commit to continuing the current fee-for-service arrangement from May 30, 2014, for up to six months, while a detailed analysis is conducted in partnership with Regional Emergency Services and AHS.

To create a sustainable funding model, it has been proposed that a partnership be formed between the Municipality and industry stakeholders (Syncrude Canada Ltd., Suncor Energy Inc., Cenovus Energy and Husky Energy), including committing funding to support medevac services.

**Background:**

Phoenix Heli-Flight has been providing daylight medevac services since 1992. This service was paid for by AHS through a fee-for-service arrangement.

In December 2013, Phoenix Heli-Flight's night flying medevac service became operational, which required the purchase of equipment and specialized training. The technical nature and staffing requirements associated with the 24/7 service significantly increased costs. The fee-for-service arrangement with AHS is no longer financially feasible for Phoenix Heli-Flight. Fixed costs to maintain this service for one year is estimated at \$3,000,000, with additional operational costs of \$1,268 per flight/per hour.

Phoenix Heli-Flight created the Local Helicopter Emergency Response Organization (H.E.R.O.) Foundation to secure donations to support 24/7 medevac services from the provincial government, industry and the community-at-large. Phoenix Heli-Flight has been attempting to secure the necessary funding to keep the service operational, but to date has been unable to do so.

**Alternatives:**

To revert to daytime medevac services only, on a fee-for-service basis. This would be a considerable risk to public safety as a result of the increased wait times for ground ambulance response. Additionally, this daytime service does not allow for a dedicated helicopter to be available as required for emergency services.

**Budget/Financial Implications:**

Fixed costs for Phoenix Heli-Flight for a one-year period are estimated at \$3,000,000, with an additional operational cost of \$1,268 per flight/per hour. Industry stakeholders have committed to providing \$1,500,000 to fund the balance of the medevac fixed costs in partnership with the Municipality. AHS has committed to continuing the current fee-for-service arrangement from May 30, 2014, for up to six months, while a detailed analysis is conducted in partnership with Regional Emergency Services and AHS.

**Rationale for Recommendations:**

Without a sustainable funding model, the dedicated night medevac service provided by Phoenix Heli-Flight will cease to exist. Phoenix Heli-Flight is the sole provider of medevac services in the region.

The Wood Buffalo region requires an higher level of support than other regions in Alberta who are supported by other service providers. Regional Emergency Services is the only AHS contracted service provider in the region. The region is experiencing increased incidents as a result of an higher volume of traffic on highway 69 and 881 and an increase in the number of isolated work camps and industry worksites. In consideration of the distance to the nearest hospital it is critical that the medevac services continue in order to significantly reduce the time required to transport the patient to a primary care facility.

Since December 2013, the number of incidents for medevac services are reflected in the following chart.

Year	2013	2014				
Month	December	January	February	March	April	May
Number of Responses	6	7	10	10	11	9

**Attachment:**

1. Email from Paul Spring, President of Phoenix Heli-Flight – May 16, 2014
2. Letter from Alberta Health Services – May 30, 2014