



VERSION 3



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# EMS Ground Ambulance Service Agreement

April 30, 2026



# Agenda

- Glossary & Definitions
- Background
- EHS Options
- Resolution

# Glossary

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- ACP – Advanced Care Paramedic
- ALS – Advanced Life Support
- APFFPA - Alberta Professional Fire Fighters & Paramedics Association
- BLS – Basic Life Support
- EHS – Emergency Health Services
- FTAE – Full-Time Ambulance Equivalent
- I6 – The six integrated fire/ems municipalities
- LFES – Lethbridge Fire & Emergency Services
- MFR – Medical First Response
- PCP – Primary Care Paramedic

# Definitions

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- **Integrated Fire/EMS Model:** Integrated Fire/EMS Services is a public safety service delivery model in which fire suppression, emergency medical services (EMS), rescue, and related emergency response functions are provided through a single, unified organization. Personnel are cross-trained and resources are shared, allowing for coordinated command, deployment, and response to both fire and medical emergencies from the same stations under a common governance and operational structure.
- **Shared Costs:**  
Costs that do not change with service levels and continue even if services are reduced also known as fixed costs





# Background





# Ground ambulance service level

Today, Lethbridge has a high level of ambulance availability, advanced clinical response and integrated emergency operations that support timely care for residents.

	Current local service level	Potential implications if service delivery changes
<b>Service capacity</b>	<ul style="list-style-type: none"> <li>7 full-time ambulance equivalents (FTAE), delivered at the Advanced Life Support (ALS) standard</li> </ul>	<ul style="list-style-type: none"> <li>May result in a combination of ALS and BLS ambulance staffing models</li> </ul>
<b>Response performance</b>	<ul style="list-style-type: none"> <li>5 strategically located stations</li> </ul>	<ul style="list-style-type: none"> <li>Ambulance deployment locations determined through provincial system planning.</li> </ul>
<b>Operational advantages</b>	<ul style="list-style-type: none"> <li>99.6% compliance with funded ambulance staffing levels.</li> <li>Integrated Fire-EMS response supports coordinated emergency operations.</li> </ul>	<ul style="list-style-type: none"> <li>APFFPA reports provincial direct delivery ambulance staffing compliance is 85%, which may affect local ambulance availability.</li> </ul>
<b>System performance</b>	<ul style="list-style-type: none"> <li>Lethbridge has achieved among the strongest cardiac arrest survivability outcomes reported in Alberta.</li> <li>Dedicated Tactical EMS (TEMS) capability.</li> <li>Advanced medical support integrated into hazardous materials response.</li> </ul>	<ul style="list-style-type: none"> <li>Changes to early advanced response capability may influence cardiac survivability outcomes.</li> <li>TEMS would likely be eliminated.</li> <li>HazMat reduced to a minimum level</li> </ul>
<b>Local resource availability</b>	<ul style="list-style-type: none"> <li>Active local deployment management by Lethbridge, helps maintain ambulance coverage within the community.</li> </ul>	<ul style="list-style-type: none"> <li>Ambulances may be deployed outside the community more frequently based on provincial system demand.</li> </ul>





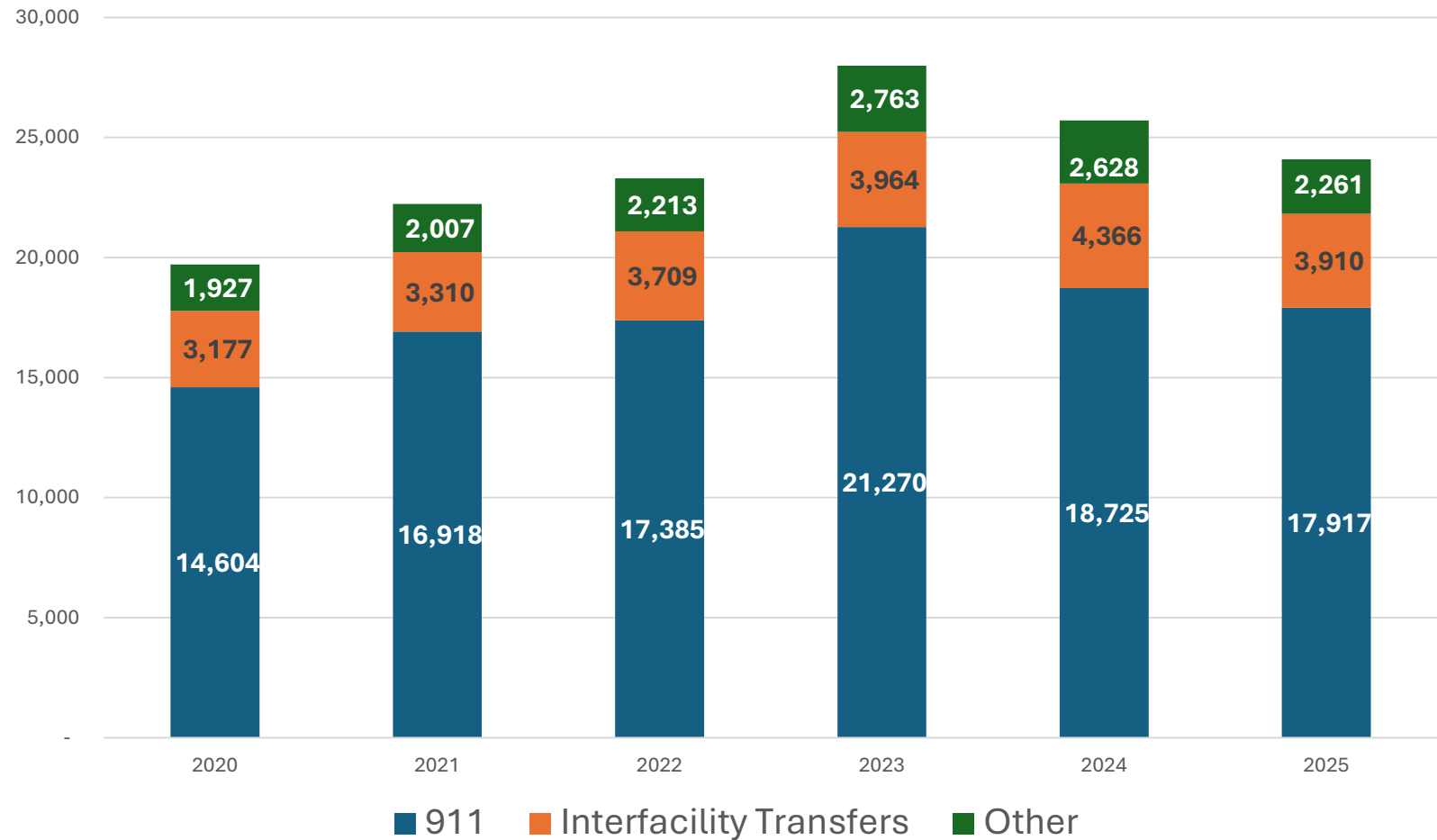
# LFES Calls by Type of Event

**911:** An unscheduled, emergency request for medical assistance initiated through the 911 system, requiring immediate EMS response

**Interfacility Transfers:** A planned or semi-urgent transfer of a patient between healthcare facilities (e.g., hospital to hospital, hospital to long-term care).

**Other:** Third party requests for EMS assistance, such as Fire, LPS or other City departments.

## Number and Type of Events for LFES



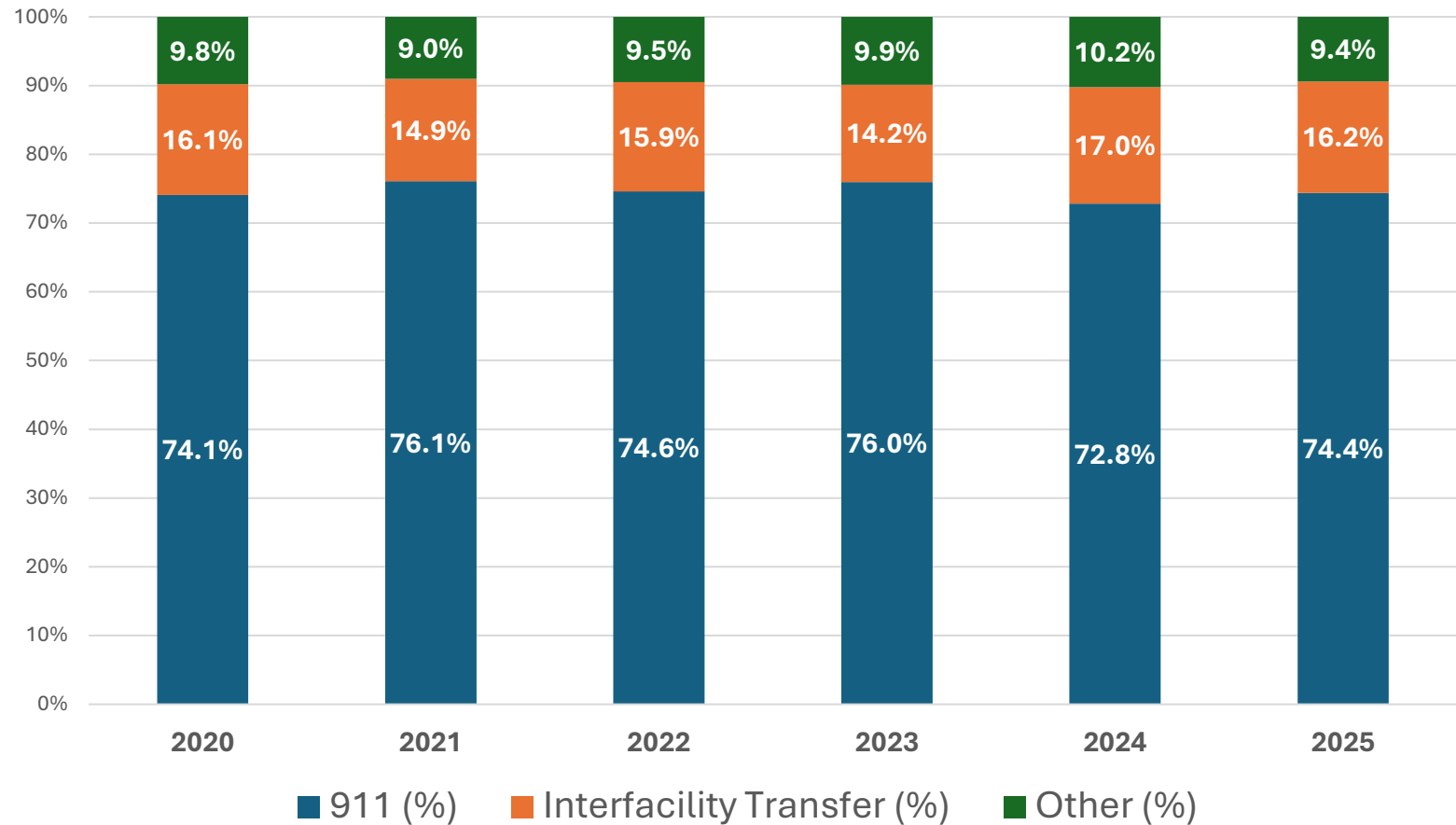


# Percentage of Type of Events

Interfacility transfers are a significant portion of events ranging from 14.2%-17% of the events for LFES in the last 6 years. These transfers take key resources the City is subsidizing, out of the system for emergency calls.

Over the last 6 years, 52% of IFT events are for non-emergency transfers and 31% at a Basic Life Support level. Only 13% are at an Advanced Life Support level.

## Percentage of Type of Events for LFES

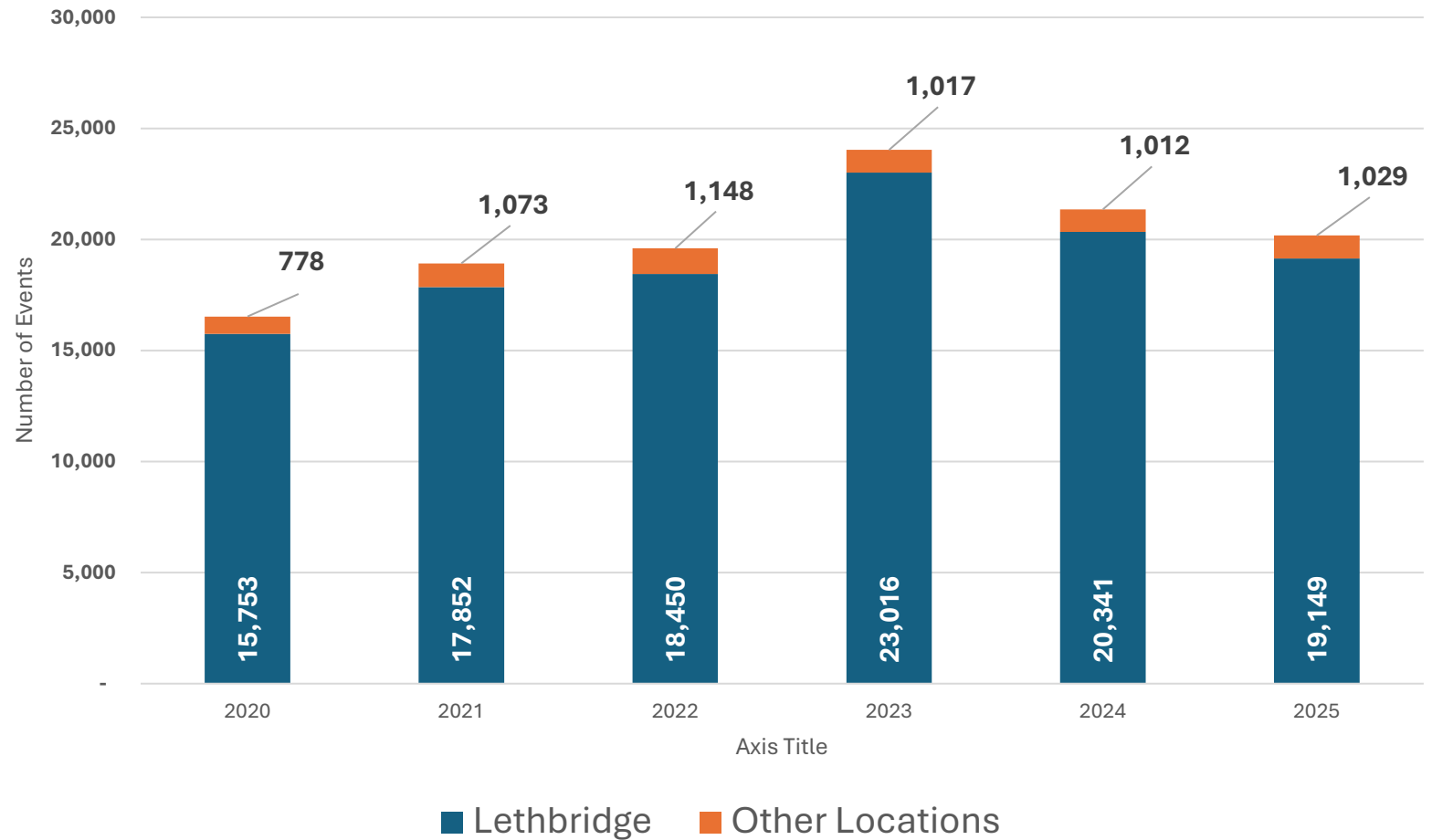




# 911 & Other Event Locations

The primary location for LFES 911 & other event locations are within the city of Lethbridge (95%). Only 5% of locations are in the region with Lethbridge County being the highest at 1.9%.

## 911 & Other Event locations responded to by LFES

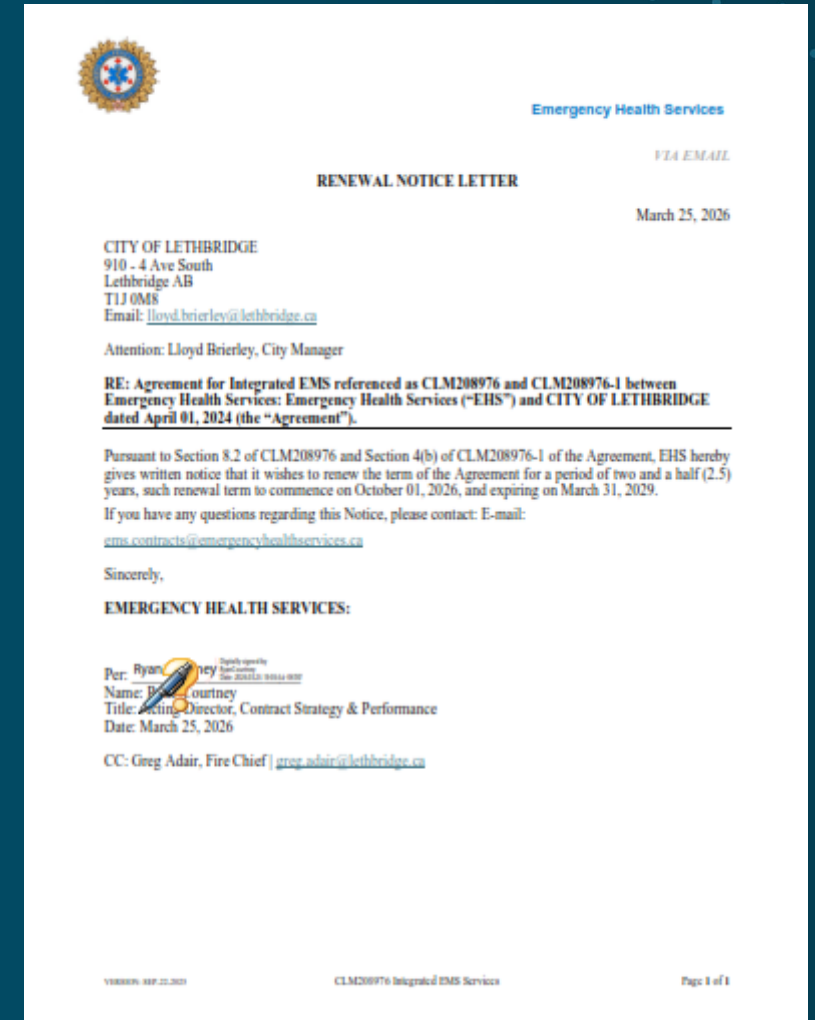


# Background



# Renewal Notification

- March 26: City received formal notice from EHS of its intent to pursue renewal discussions
- Notice issued broadly to all municipalities delivering integrated EMS
- After seeking clarification on the intention of the letter, the City received the following information from EHS:
  - Letter initiates good-faith renewal discussions under the existing agreement
  - **Notice does not confirm renewal terms or constitute exercising the renewal option**
  - Any renewal remains subject to further negotiation and mutual agreement



# Meeting with Minister

## Provincial Position

- Province supports integrated Fire/EMS, but is shifting to an equity-based, standardized funding model
- Integrated providers are among the highest-cost EMS models (up to 25–30% higher per unit)
- Integrated providers are the highest-cost option; 19 of 23 contracted providers operate below the EHS benchmark.
- Province will fund 100% of a standardized Full-Time Ambulance Equivalent (FTAЕ) benchmark only
- Any service above the benchmark is a municipal funding decision

## Long-Term EMS System Direction

The Province outlined planned system wide reforms, including:

- Expanded paramedic scope of practice (e.g., ability to decline low acuity transports where appropriate),
- Reduced unnecessary interfacility transfers,
- Improved dispatch triage, including paramedic involvement and use of technology (e.g., video triage),
- Greater transparency and public reporting of EMS performance data, beginning in 2026.

# Meeting with Minister



## Municipal Concerns Raised

**Process and Timing:** Initial timelines were challenging for planning; the Province acknowledged this and extended deadlines into May 2026.

**Financial Impact:** Maintaining current integrated service levels at reduced provincial funding may require **municipal tax support**.

**Workforce Stability:** Ongoing uncertainty may contribute to paramedic recruitment and retention challenges.

**Medical First Response (Fire Services):** Reduced ambulance funding could increase reliance on municipally funded fire-based medical response. The Province confirmed this remains a **local decision** regarding call types and level of care.

## Municipal Options

Under the proposed framework, municipalities may:

1. Accept the EHS Costing Model and enter a **sole-source agreement** at the provincial benchmark funding level and maintain enhanced or integrated service levels through **municipal cost-sharing above the provincial contribution**.
2. Decline the EHS Costing Model and proceed to a **competitive procurement (RFP)** process;

Notice of intent regarding these options is required by **May 31, 2026**

# EHS 2026/27 Contract Value Assessment



- Contract funding is based on the FTAE benchmark, with limited allowance for bad debts
- Net EHS funding equals the benchmark plus bad debts, less ambulance billing revenue
- Any costs above this level are municipal responsibility; EHS estimates a **\$2.7M overfunding** of the City

## EHS 2026-27 Contract Value Assessment: Lethbridge

Expense	Ambulances	Ongoing Costs	
		per Unit	Total
ALS 24 hours regular time	4	\$ 1,952,487	\$ 7,809,948
ALS 12 Hr Regular Time	6	\$ 1,055,116	\$ 6,330,696
		Total FTAE Cost	\$ 14,140,644
Bad Debts (3-year average)			\$ 388,028
<b>Total EHS Standardized Costs</b>			<b>\$ 14,528,672</b>
Less: Ambulance Billing Revenue (3-year average)			\$ 3,347,505
<b>EHS Standardized Costing Model Funding</b>			<b>\$ 11,181,167</b>
<b>Total Revenues</b>			<b>\$ 14,528,672</b>

### Contract Value Assessment:

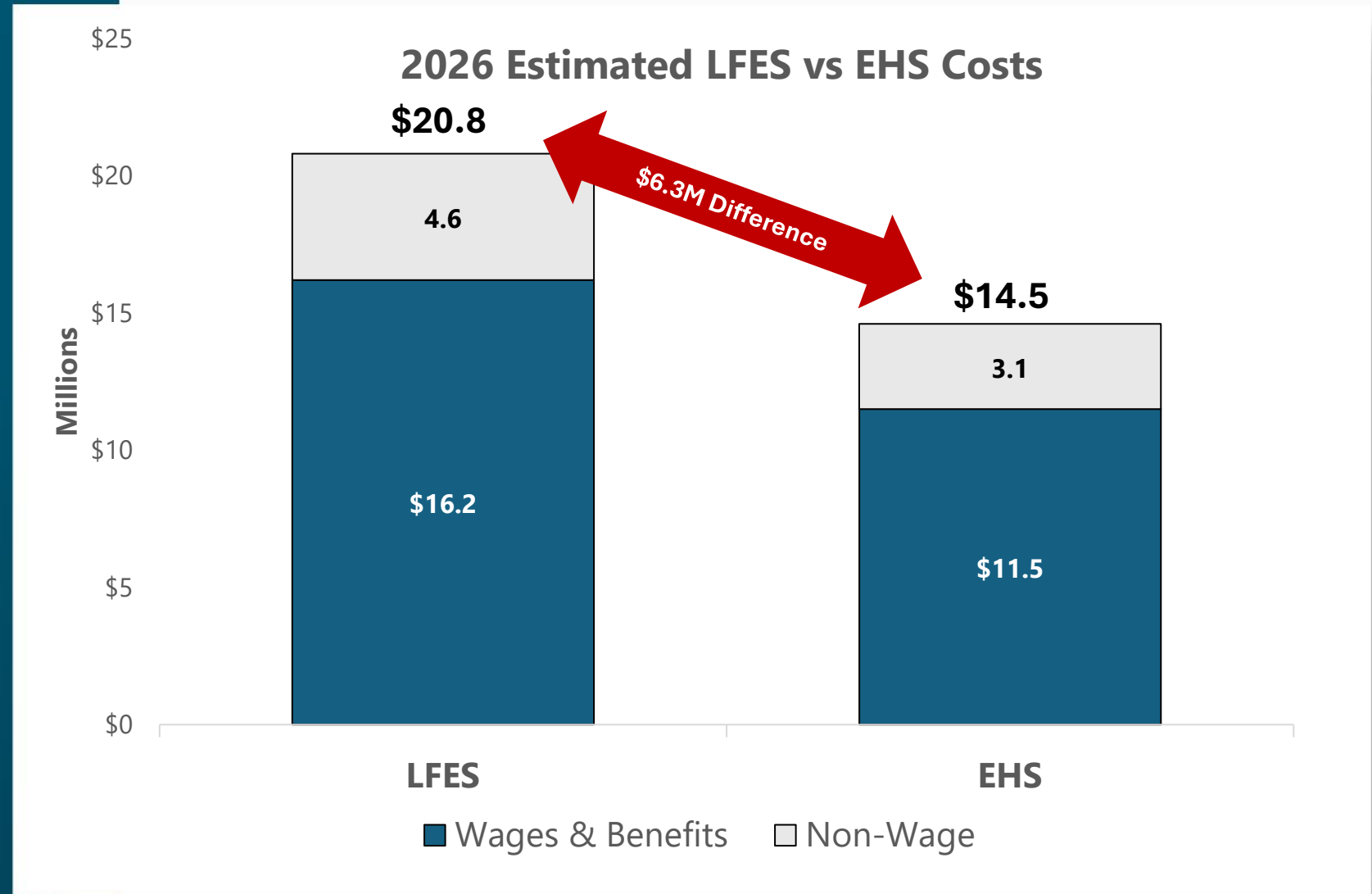
EHS Standardized Costing Model Funding	\$ 11,181,167
Less: Current EHS Agreement 2026/27 Contract Funding	\$ 13,900,899
<b>Current Funding Under/(Over) Costs per EHS Costing Model</b>	<b>\$ (2,719,732)</b>



# EHS Costing Model

LFES delivers a higher service level through integrated Fire-EMS (including MFR and higher staffing ratio), at a cost of \$20.8M, compared to the Province's Equity-Based Standardized Funding Model benchmark of \$14.5M for 7 FTAEs.

The 2026 cost gap between the Integrated Fire & EMS model and EHS's Equity-Based Funding Model is \$6.3M, driven primarily by \$4.8M higher wages and \$1.5M higher non-wage costs under LFES.





# **EHS Options**

**Required by May 31, 2026**



# EHS Options

There are various service and financial considerations with each option.

1

## Accept EHS Costing Model

Notify EHS that the **City of Lethbridge would agree to deliver EMS services** at their benchmark cost, **with any costs above that level, funded by the municipality.**

2

## Decline EHS Costing Model

Notify EHS that the **City of Lethbridge does not agree in advance to cover any additional costs** associated with a new EMS Ground Ambulance Agreement **while preserving the City's right to participate in further negotiations and/or a request for proposals process.**



# Option 1: Accept EHS Costing Model

## Benefits:

Maintains existing service levels including:

- 7 FTAE (ALS-level ambulance equivalents)
- 99.6% staffing compliance
- 5 strategically located stations
- Strongest cardiac arrest survivability in Alberta
- Active local deployment management

## Drawbacks:

- Adopting EHS benchmark model would require:
  - Additional \$3.7M equating to ~1.8% property tax increase and increasing City subsidy to \$7.2M in 2027.
  - The EMS cost gap is projected to grow annually, increasing the City subsidy to \$7.7M by 2028 and \$8.1M by 2029.
- City taxpayers currently subsidize regional transfers, reducing local service benefits ~14%-17%.

# Option 2: Decline EHS Costing Model

## Benefits:

- Does not agree to the increase in ongoing subsidy of provincial EMS services from Lethbridge taxpayers currently estimated at \$3.7M increase or ~1.8% tax increase in 2027
- Appropriately aligns responsibility of EMS service delivery, funding and system design to the Province
- Preserves the City's right to participate in further negotiations and/or a request for proposals process
- City can determine and fully control level of Medical First Response in Lethbridge

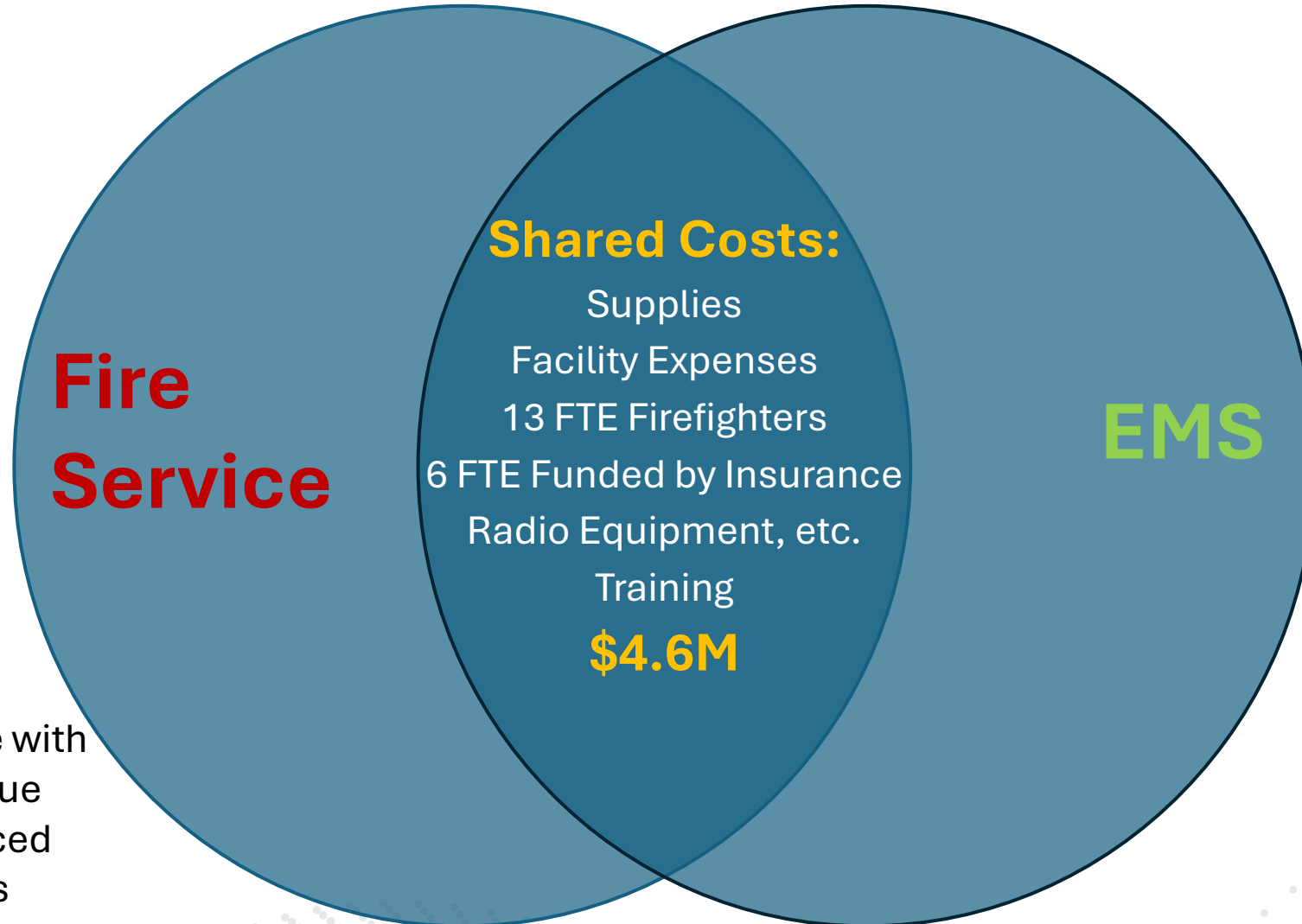
## Drawbacks:

- Changes service level to Provincial Standard including:
  - Blended ALS/BLS ambulance staffing
  - 85% staffing compliance per APFFPA
  - Ambulance locations set by EHS planning
  - Might increase out-of-community deployments due to provincial demand
- May result in divestiture of EMS Division resulting in an estimated layoff of up to 70 EMS & support staff with one-time costs of up to \$0.6M
- If divestiture of EMS occurs, to maintain fire-only services will require an increase of \$1.1M or ~0.5% tax increase to fund the \$4.6M of EMS shared costs currently funded through the EMS division. This does not include Medical First Response (MFR).

# Decline EHS Costing Model: EMS Fixed Costs (Fire Only)



## Integrated Services



### Shared Costs:

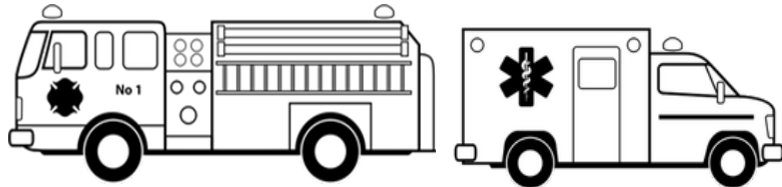
Costs that do not change with service levels and continue even if services are reduced also known as fixed costs

# Operating Budget Impact of Scenarios



## Accept EHS Costing Model

(Fire & EMS Services)



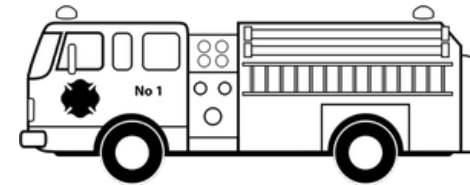
**2027 Est. Ongoing Tax Pressure:**

**\$3.7M or ~1.8%**

(\$7.2M taxation subsidy less  
\$3.5M existing subsidy)

## Decline EHS Costing Model (May result in divestiture of EMS)

(Fire Only Services)



**2027 Est. Ongoing Tax Pressure:**

**\$1.1M or ~0.5%**

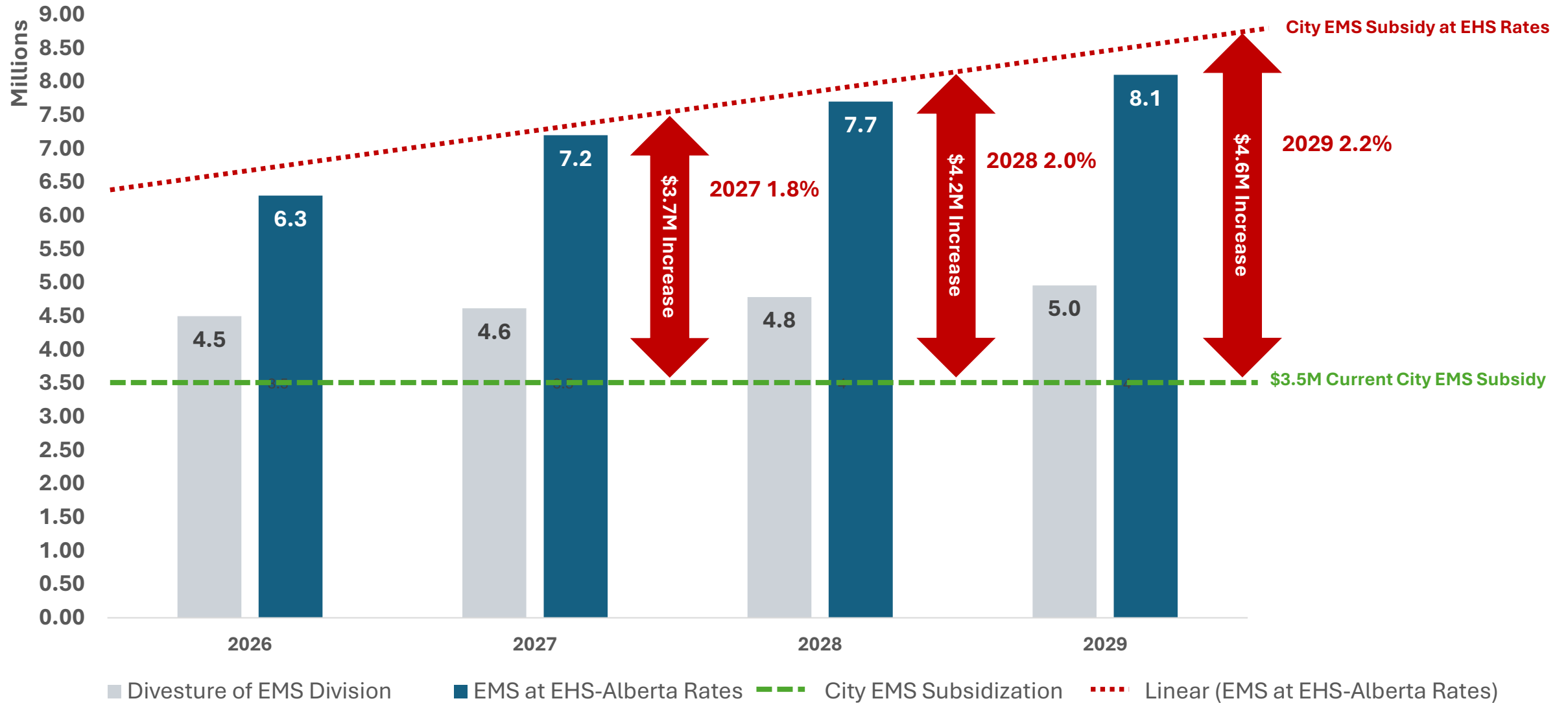
(\$4.6M shared costs less  
\$3.5M existing EMS subsidy)

**2027 Estimated One-Time Cost:**

**~\$0.6M**

(Estimated layoff up to 70 EMS & support staff)

# Scenario Comparison of Tax Requirements



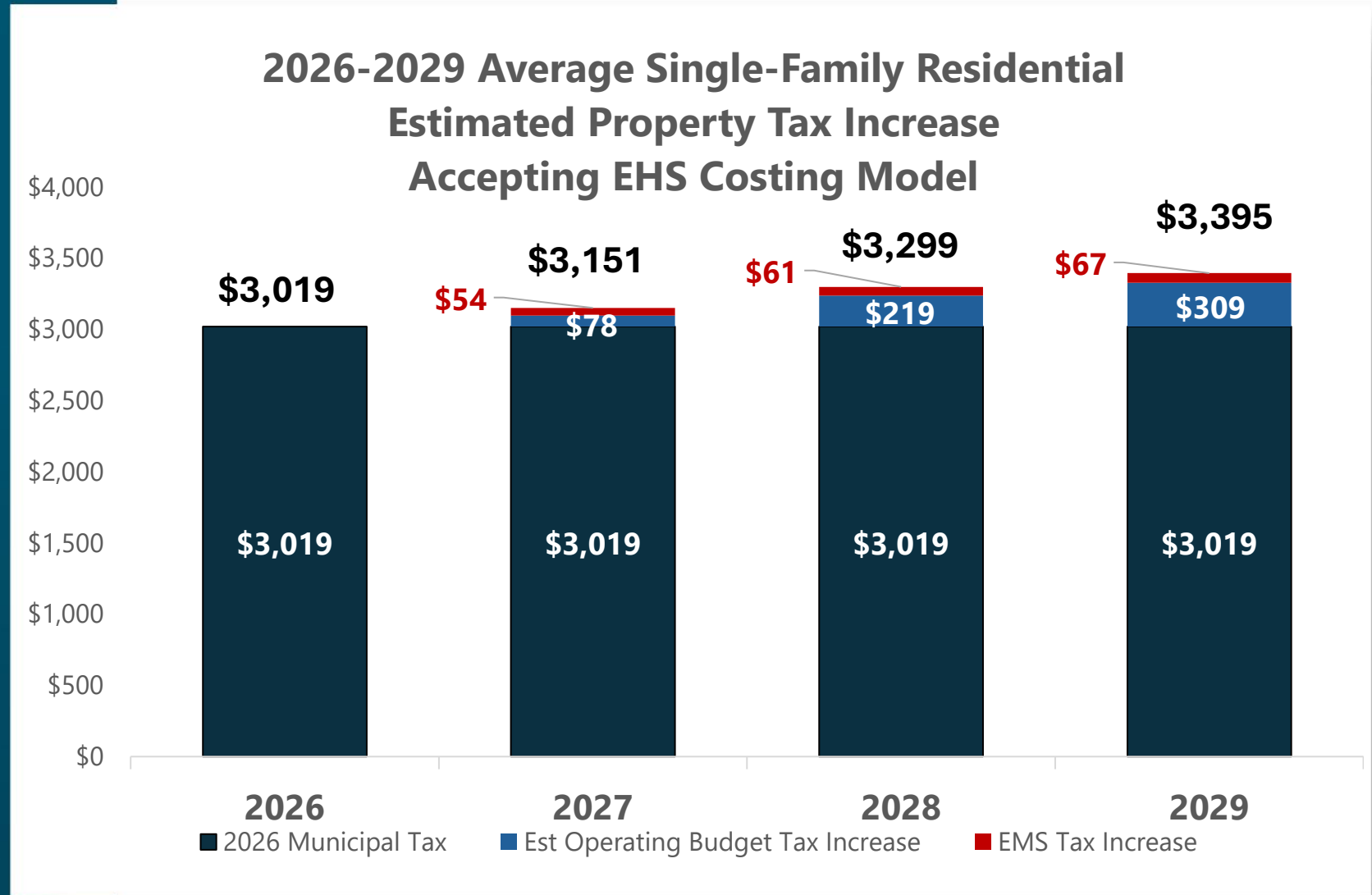


# Single-Family Residential Annual Municipal Property Tax Increases of Accepting EHS Costing Model

**Water & Wastewater:** Estimated to have a utility bill annual increase of ~\$100 each year.

**Note:** Education & Green Acres would be additional to these amounts

Based 2026 assessment value \$389,600



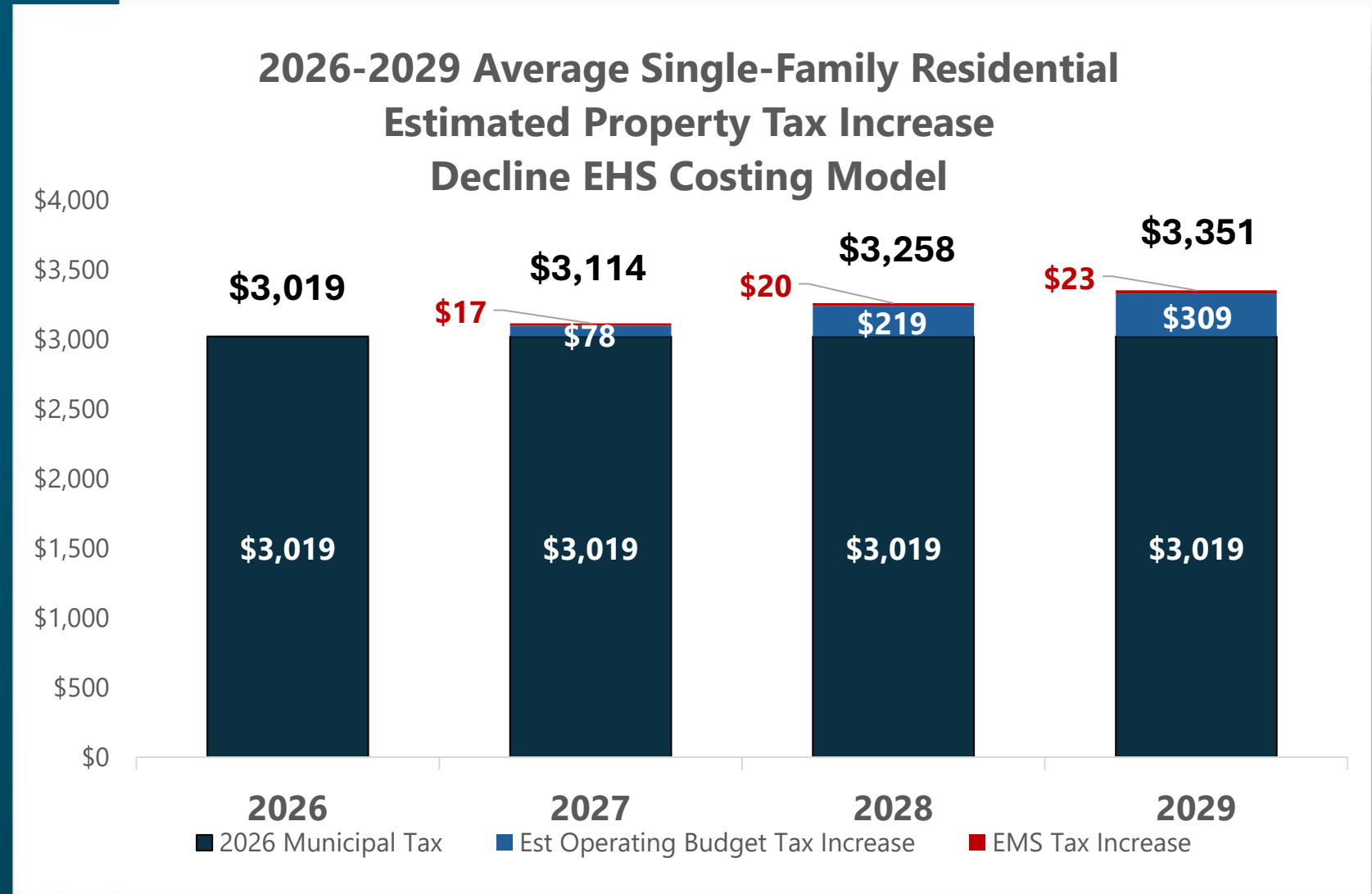


# Single-Family Residential Annual Municipal Property Tax Increases of Declining EHS Costing Model

**Water & Wastewater:** Estimated to have a utility bill annual increase of ~\$100 each year.

**Note:** Education & Green Acres would be additional to these amounts

Based 2026 assessment value \$389,600





# Recommendation



## Recommended Resolution for May 12<sup>th</sup>

### That Council direct the City Manager to Notify Emergency Health Services – Alberta that:

1. the City of Lethbridge does not agree in advance to cover any additional costs associated with a new EMS Ground Ambulance Agreement while preserving the City's right to participate in further negotiations and/or a request for proposals process; and
2. the City of Lethbridge does not agree to extend the current contract beyond its current term end of September 30, 2026

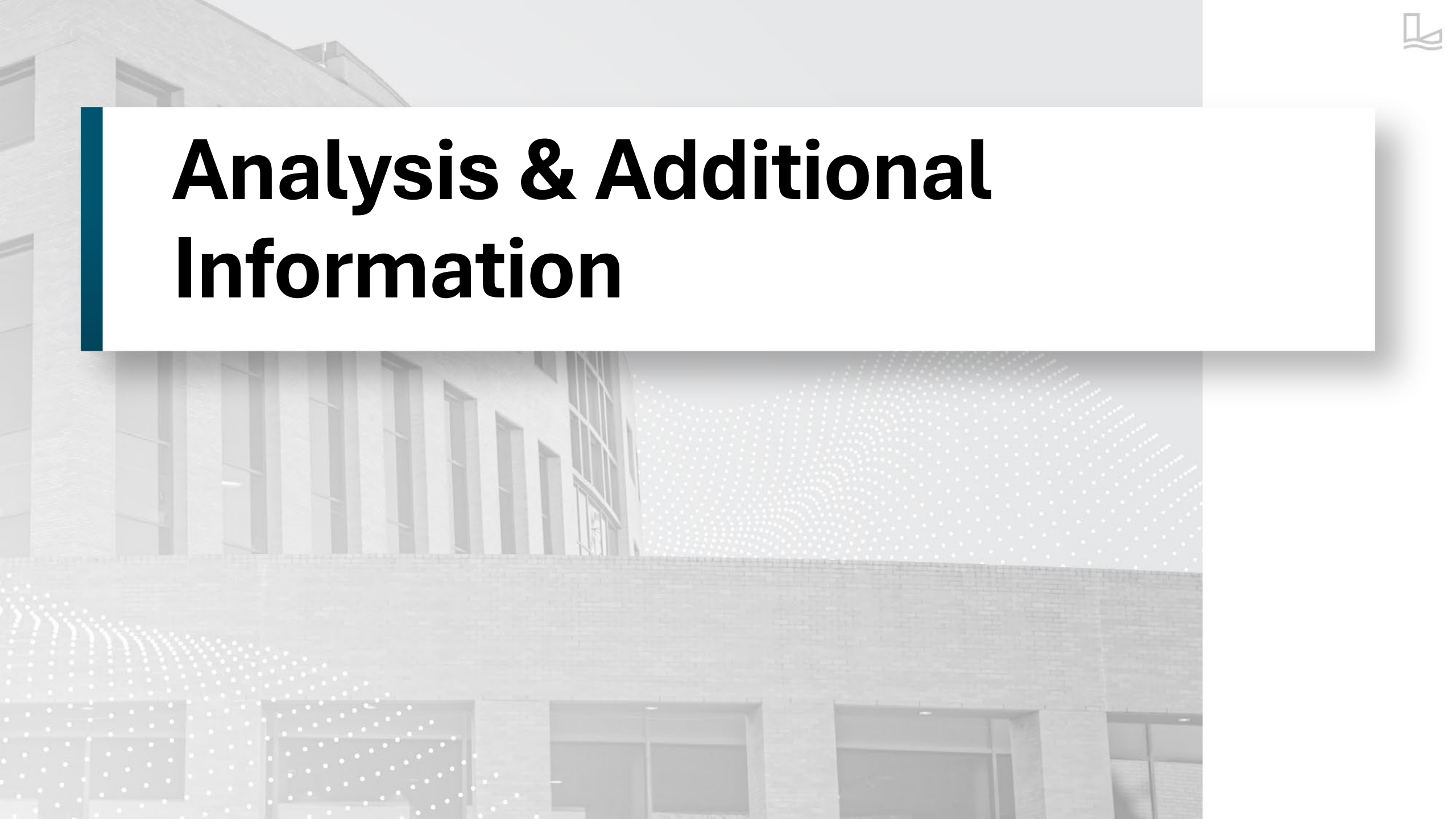


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# Questions



# Analysis & Additional Information



# EHS Notification Letter March 13, 2026

- The current EMS agreement expires September 30, 2026.
- On **March 13, 2026**, EHS-Alberta advised the City it intends to move to a new Ground Ambulance Agreement based on provincial cost benchmarks.
- EHS states the current agreement exceeds its cost benchmark and is **not sustainable**.



Emergency Health Services - Alberta

Dear Greg,

Re: CLM208976

Thank you for taking the time to meet with me today to discuss the future of EMS Ground Ambulance Service Agreements. We appreciate your ongoing commitment to providing high-quality patient care in Alberta.

We are offering the ability to establish new agreement at costs equivalent to EHS. As you may be aware the funding associated with the Ambulance agreement in your community is above that of EHS cost – a principle that we can no longer to continue to operate with.

If the municipality agrees to cover additional costs, EHS will enter negotiations with you to establish the new agreement. If the municipality does not agree to cover additional costs, EHS will identify an alternate service provider. For any questions you may have, please ensure that you submit them to me, in writing, by March 27<sup>th</sup>, 2026, and I will follow up with you as soon as possible.

Please provide the direction for service delivery that your municipality elects to pursue to me, in writing, by no later than March 31<sup>st</sup>, 2026.

Thank you for your dedicated service to all Albertans.

Regards,

A handwritten signature in blue ink, appearing to read 'Elizabeth Stein'.

Elizabeth Stein  
Manager - Contract Strategy & Performance  
Emergency Health Services – Alberta

# EHS Costing Model Analysis & Discussions Update

- Review and provide questions to EHS on their costing model
- EHS Renewal Notification Letter
- Discussions with I6 communities
- In-person meeting with EHS on costing
- Minister meeting with I6 Mayors and CAO
- May 12 Council decision ahead of May 31, 2026 EHS deadline



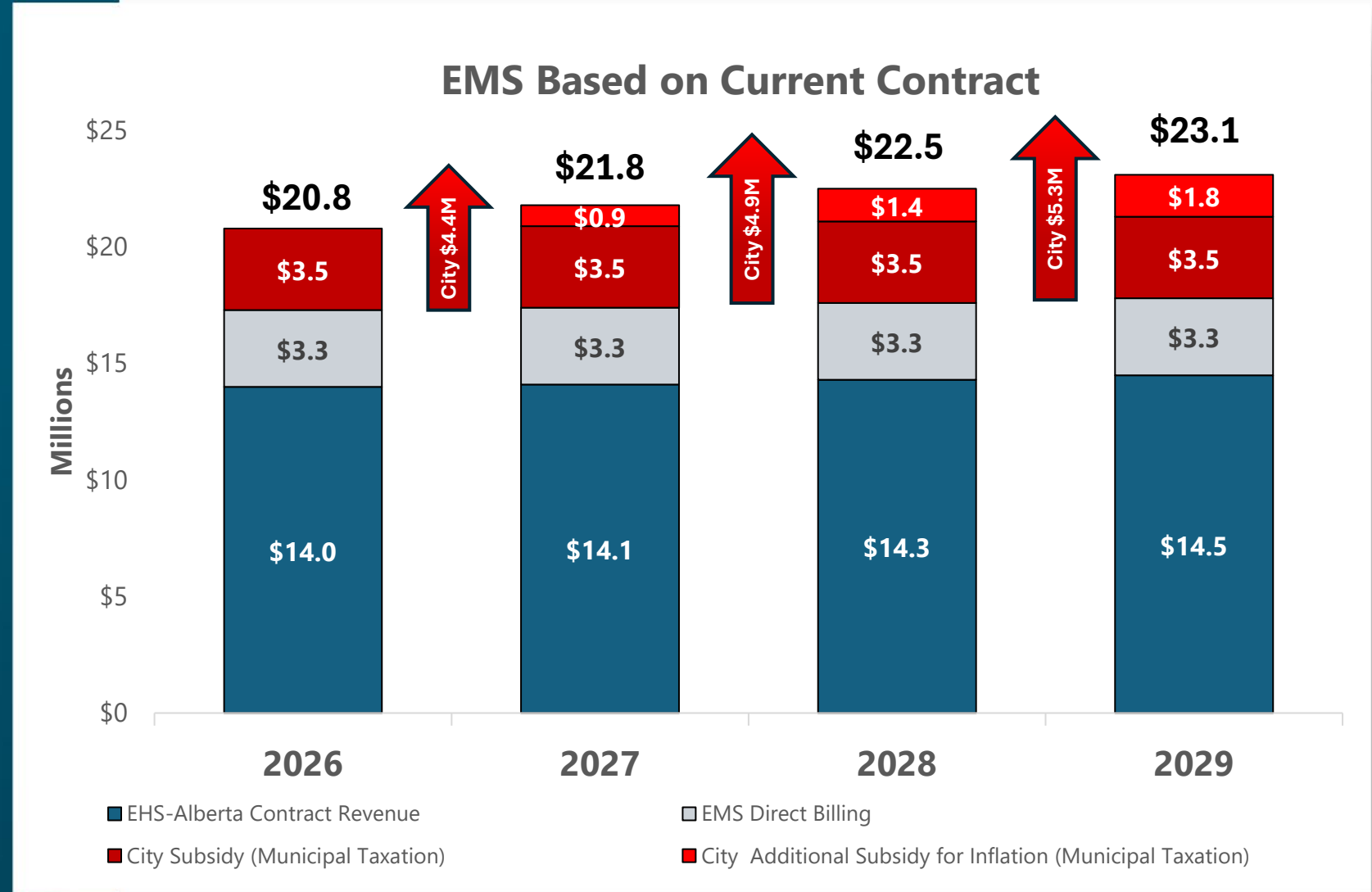


# Estimated Costs Based on Current Agreement

Integrated Fire/EMS service levels continue to outpace EHS funding under the current agreement.

In 2026 the City total cost was \$20.8 million with the City subsidizing EMS by \$3.5 million, and under the existing agreement this is estimated to increase to \$4.4 million which will require a \$0.9 million tax increase or ~0.4% by 2027.

**This subsidization was expected to grow even within the existing agreement**

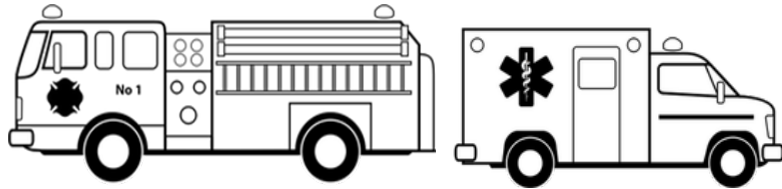


# Operating Budget Impact of Scenarios



## Accept EHS Costing Model

(Fire & EMS Services)



**Est. Ongoing Tax Pressure:**

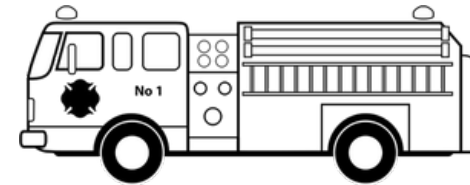
**2027 \$3.7M or ~1.8%**

**2028 \$4.2M or ~2.0%**

**2029 \$4.6M or ~2.2%**

## Decline EHS Costing Model (May result in divestiture of EMS)

(Fire Only Services)



**Est. Ongoing Tax Pressure:**

**2027 \$1.1M or ~0.5%**

**2028 \$1.3M or ~0.6%**

**2029 \$1.5M or ~0.7%**

**2027 Estimated One-Time Cost:**

**~\$0.6M**

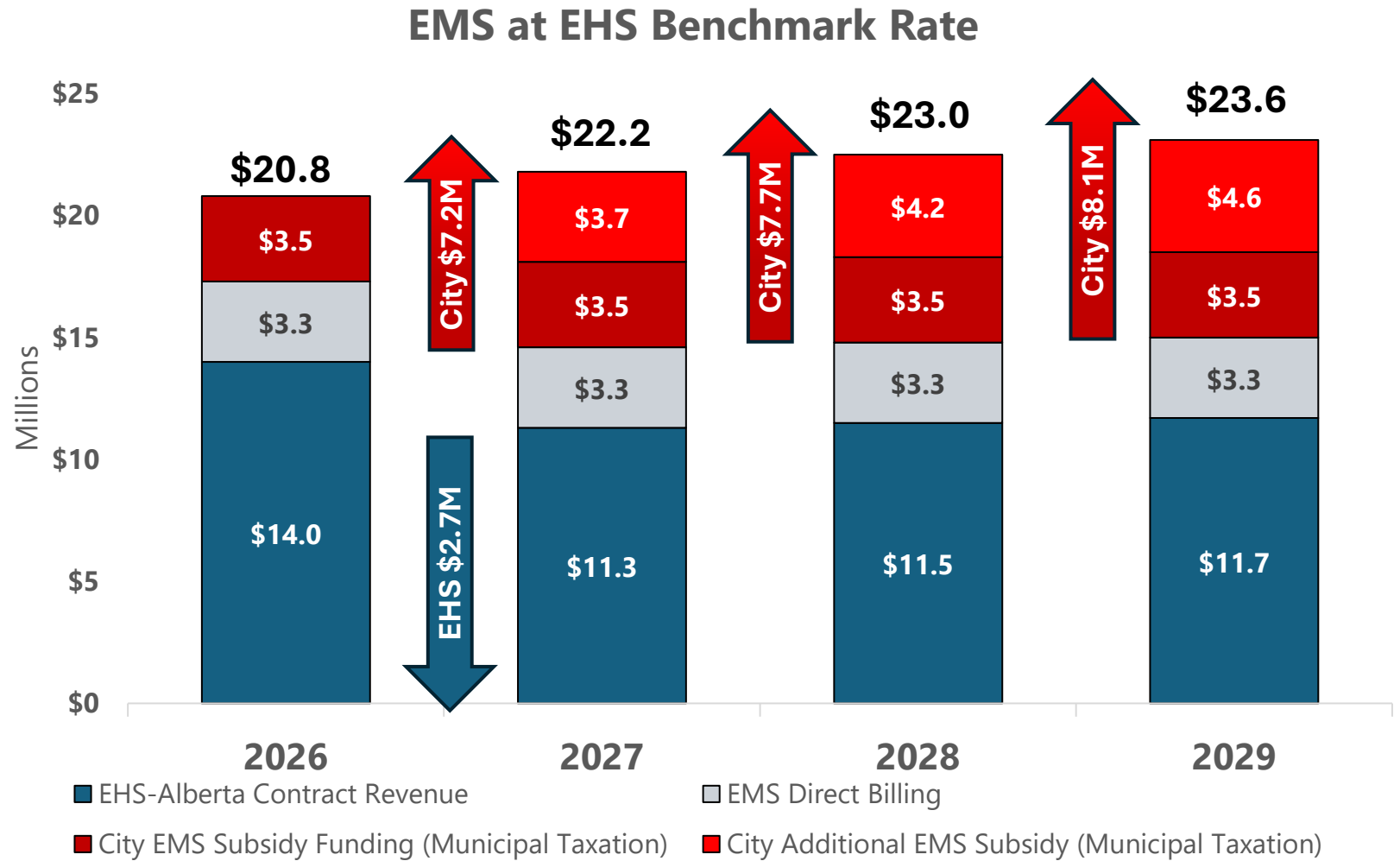
(Estimated layoff up to 70 EMS & support staff)



# Option 1: Accept EHS Costing Model

Adopting EHS' benchmark costing would require an additional **\$3.7M in municipal tax support**, increasing EMS funding to **\$7.2M** and equating to a **~1.8% property tax increase in 2027**.

The EMS cost gap is **projected to grow annually**, requiring ongoing municipal tax increases.





## Option 2:

# Decline EHS Costing Model

**Benefits:** Preserves the City's right to participate in the request for proposals (RFP) process

**Risk:** LFES may be unsuccessful in RFP or EHS decides to implement direct Service delivery.

**Future Decision:** Fire-only excludes EMS and Medical First Response (MFR); maintaining MFR would require an **additional ~\$1.0M (~0.5% tax increase).**

2027-2029 Divestiture of EMS Division  
Estimated Shared Cost & Funding Projection

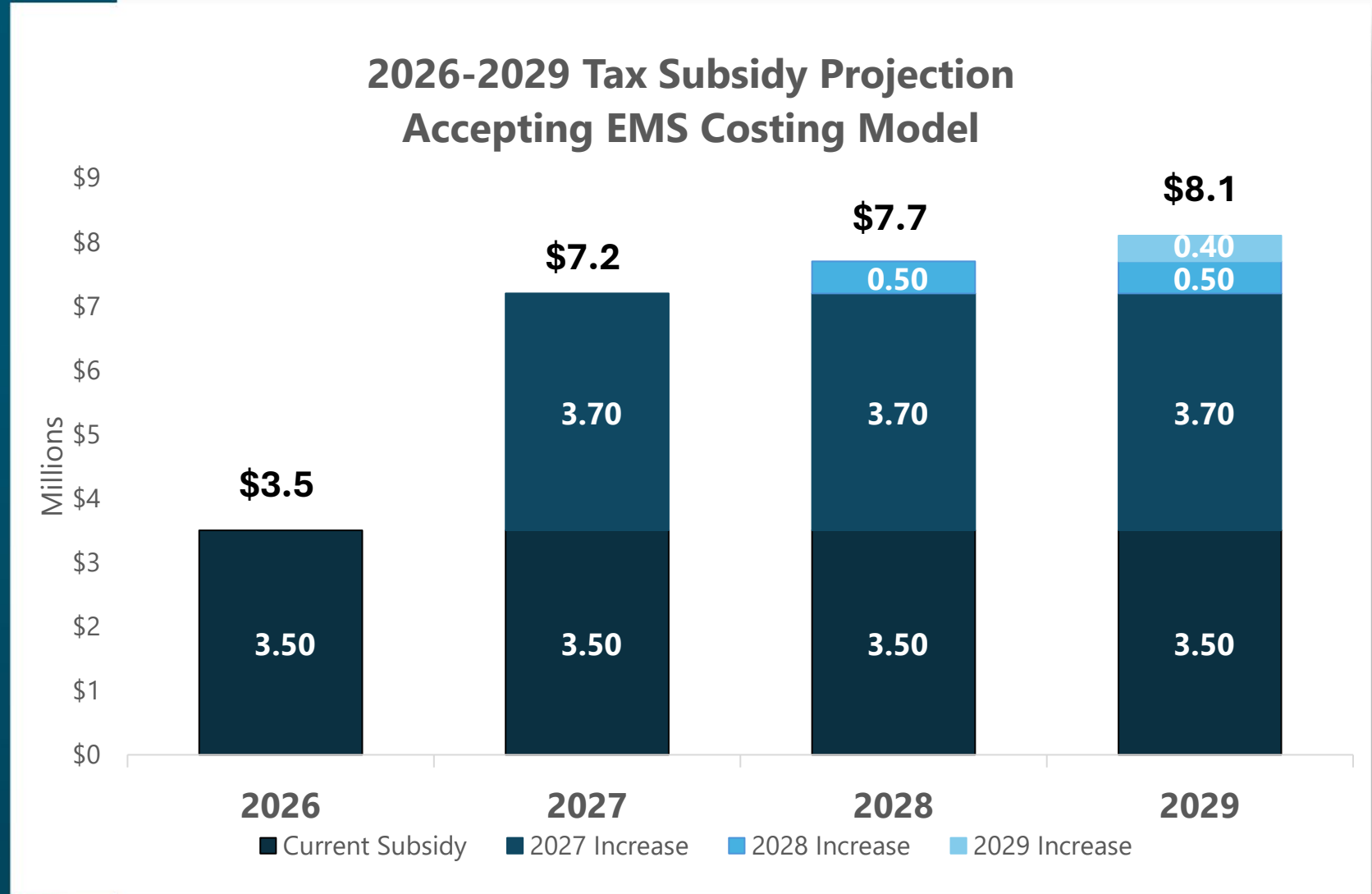




## Tax Subsidy Projection Accepting EHS Cost Model

Accepting the EMS Costing Model is **estimated to increase the current subsidy from \$3.5 million to \$8.1 million by 2029.**

The chart highlights the increases in subsidy by year with the largest increase in 2027 due to the decrease in contract revenue.





## Tax Subsidy Projection Declining EHS Cost Model

Declining the EMS Costing Model is **estimated to increase the current tax funding from \$3.5 million to \$5.0 million by 2029.**

The chart highlights the increases in tax support for shared costs previously supported by EMS.

