



CITY OF HAMILTON
COMMUNITY AND EMERGENCY SERVICES DEPARTMENT
Hamilton Paramedic Service

TO:	Chair and Members Emergency & Community Services Committee
COMMITTEE DATE:	January 18, 2016
SUBJECT/REPORT NO:	Single-Source Paramedic Service Linen Supply, Cleaning and Replacement (CES16001) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Ben Roth 905-546-2424 Ext. 7743
SUBMITTED BY:	Joe-Anne Priel General Manager Community and Emergency Services Department
SIGNATURE:	

RECOMMENDATION

- (a) That Council approve the single source procurement, pursuant to Procurement Policy #11 – Non-competitive Procurements, for the supply, cleaning and replacement of health care linen for the Hamilton Paramedic Service for a five year period ending December 31, 2020; and,
- (b) That the General Manager, Community and Emergency Services Department be authorized to negotiate, enter into and execute a Contract and any ancillary documents required to give effect thereto with Mohawk Shared Services Inc. (MSSI), in a form satisfactory to the City Solicitor.

EXECUTIVE SUMMARY

Ambulances are required by Provincial Ambulance Equipment Standards to carry specific quantities of linen (blankets, sheets, pillowcases and towels) to be used in pre-hospital care.

The Hamilton Paramedic Service has obtained linen on a single-source basis from Mohawk Shared Services Inc. (MSSI) since 2000, with the most recent single-source authority having been granted by means of Report HES10004 Single Source of Paramedic Services Linen Cleaning and Replacement, approved by Council on February 24, 2010. Report CES16001 recommends renewal of the single-source arrangement for a further five-year term pursuant to Section 4.11(2) of the Procurement Policy By-law.

MSSI is a hospital-owned non-profit co-op corporation that provides linen services to health-care sector organizations including regional hospitals, long-term care homes, and local Paramedic Services. MSSI has provided a consistently high level of service

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for many years, and offers specialized health-care sector linen services with efficiencies being achieved through economies of scale and a non-profit structure. Cost of linen obtained through the MSSl contract is currently less than \$3.50 per ambulance transport.

As MSSl serves both the hospitals and Paramedic Services, a single supply chain facilitates the cost-effective and efficient replenishment of clean linen stocks and the safe collection, transportation, and cleaning of used linen, including contaminated materials.

Alternative for Consideration – See Page 4

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Mohawk Shared Services Inc. Costs (2010 – 2015):

Fiscal Year	Cost (\$K)*	Ambulance responses where a patient was carried	Cost per response
2010	105	37,942	\$2.78
2011	108	40,121	\$2.69
2012	109	41,600	\$2.62
2013	115	42,244	\$2.72
2014	168	44,317	\$3.79
2015 (to 31 Oct)	129	38,958	\$3.31

*Full cost for the FY indicated, including linen purchase and replacement, use of stocking carts and soiled linen bins, pickup, laundering, processing, delivery and administration. Approximately 25% of linen stocks require replacement annually.

Funding for this requirement is included in the annual Paramedic Service operating budget, with \$166K being budgeted for 2016.

Staffing: There are no staffing implications associated with Report CES16001.

Legal: There are no legal implications associated with Report CES16001.

HISTORICAL BACKGROUND

Provincial Ambulance Equipment Standards require specific quantities of linen (blankets, sheets, pillowcases and towels) to be carried on each ambulance for use in pre-hospital patient care. Used/contaminated linen must be collected after every use, then safely transported, cleaned, and restocked for ready use, with ambulance stocks being replenished immediately after each call. Consistent, reliable linen supply is required around the clock, 365 days a year.

Historical best practice with almost all Ontario Paramedic Services has been to use the same linen service provider as is used by health care facilities in their catchment area to obtain reliable service while realizing both operational and financial efficiencies. Exceptions result from a few hospitals managing linen in-house, or establishing contracts which exclude non-hospital customers, thereby requiring affected Services to make alternative arrangements. An illustrative summary of linen arrangements at selected Ontario Paramedic Services may be found in Appendix A to Report CES16001.

In the Hamilton area, MSSI provides linen services to all local hospitals, most large long-term care facilities, and the Hamilton, Halton, Brant, Guelph, Haldimand, Niagara, and Six Nations Paramedic Services. Linen used by multiple agencies throughout a wide geographic area is managed through a common system, with specific linen markings facilitating accurate usage-based cost attribution. MSSI provides clean linen supply carts and used linen collection bins at each hospital, constantly monitors usage, restocks supplies as necessary, and collects and safely transports used and contaminated linen for processing and laundering.

Specific procedures are observed in the handling of health care linen to ensure that there is no cross-contamination from patient to patient. Linen services provided by MSSI conform to Public Health Ontario's Best Practices for Environmental Cleaning for Prevention and Control of Infections. Quality control over the past five years has been fully acceptable.

MSSI has full access to hospitals for performance of this service, and is certified for the collection and transportation of hazardous materials associated with contaminated linen. The seamless management of contaminated or potentially contaminated materials is a value-added service provided by MSSI that would be very difficult to supplant, as specific training, vehicle licensing, documentation, and specialized containment equipment is required.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Provincial Ambulance Equipment Standards detail the specific quantities and types of linen to be carried on board ambulances.

Public Health Ontario's Best Practices for Environmental Cleaning for Prevention and Control of Infections details the procedures to be observed in the handling and cleaning of linen used in health care, including that used by Paramedic Services.

Depending of the nature of contamination, transportation of contaminated linen may be subject to the provisions of the Transportation of Dangerous Goods Regulations.

RELEVANT CONSULTATION

Corporate Services, Procurement Section – Consultation with Procurement staff regarding the interpretation and application of Procurement policy.

Corporate Services, Finance – Consultation with Finance to verify financial information provided in Report CES16001.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

As ambulance linen is uniquely marked for identification and MSSI serves both the destination hospitals and the Paramedic Service, the following operational efficiencies are achieved through an integrated linen system:

- A reliable supply of clean linen is available for immediate restock at hospitals, so crews do not have to waste time returning to stations to replenish linen.
- Paramedics may leave linen with the patient on transfer at the hospital and do not have to wait to recover the linen. Linen is processed through the same system the hospital uses, with costs attributed based on unique markings.
- Used and/or contaminated linen is left in designated containers at the hospital. Paramedic Service staff are not required to transport used linen or potentially hazardous contaminated materials.
- MSSI handles and processes linen in accordance with Public Health Ontario's Best Practices for Environmental Cleaning for Prevention and Control of Infections to ensure that there is no cross-contamination.
- MSSI has provided consistent, reliable service over a long period of time.
- MSSI's non-profit structure, buying power and economy of scale provide service efficiency and cost effectiveness.

ALTERNATIVES FOR CONSIDERATION

The alternative to the recommended approach is to conduct a competitive procurement process for the Supply, Cleaning and Replacement of Paramedic Service Linen.

Pros: The advantage to this approach is that the best pricing for the required services would be confirmed.

Cons: As it is operationally essential for the pick-up of clean and drop-off of used linen to occur at hospitals, selection of a vendor other than MSSI would make it necessary for duplicate clean linen carts and used linen bins to be installed in each hospital location. Given the limited space available, it is unlikely that hospitals would support this duplication.

Efficiency would be reduced if multiple suppliers were to be involved in linen supply, as additional time and resources would be required to sort mixed linen by supplier and return it to the appropriate supplier for processing.

Should an alternative vendor be selected, significant staff effort would be required to monitor stocking, ensure quality control and verify cost attribution. Additional staff and vehicle resources would be required to monitor stocks and collect, sort and deliver linen.

Financial Implications: Actual comparative costs can only be obtained through a competitive solicitation; however MSSI operates as a non-profit co-op with a substantial established customer base in the regional health-care sector and has demonstrated operational efficiency and economies of scale. It is unlikely that a commercial vendor would be able to offer a competitive price, given that new stock would have to be acquired, an equivalent level of service provided, and profit generated.

Staffing Implications: Significant staff effort would be required to develop and evaluate a Request for Proposals and then manage implementation should an alternative vendor be successful. Additional staff and vehicle resources could be required to monitor stocks and collect, sort and deliver linen.

Legal Implications: There are no legal implications associated with this alternative.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #1

A Prosperous & Healthy Community

WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

Strategic Objective

- 1.5 Support the development and implementation of neighbourhood and City wide strategies that will improve the health and well-being of residents.
- 1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

- 2.3 Enhance customer service satisfaction.

APPENDICES AND SCHEDULES ATTACHED

Appendix A to Report CES16001: Linen Services for Selected Ontario Paramedic Services