



2005 – 2006 Proposed Budget --- Budget Summary Ambulance Fund – Resources

2005 – 2006 Ambulance Fund – Resources Budget Highlights

- **Transport Fees** - The EMS transport fees reflect an increase of 5% from the past budget year. Medicare implemented a five-year phase in, of their new ambulance fee schedule. The implementation process blended a percentage of new lower fee, with a percentage of the old higher fee, at the completion of the process we will be receiving 100% of the new lower fee. This will happen in January of 2006. While we continue to see an increase in call volume, we also continue to see an increase in Medicare write-offs. However we are starting to see the write-offs plateau as call volumes increase, this should happen more dramatically once we reach the 100% of the new fee schedule.
- **FireMed** - FireMed is a program where subscribers purchase an ambulance service membership. If the member or their family needs ambulance service, the member's insurance(s) is/are billed, if insured, for the transport and any remaining balance is then written off after all insurance coverage is received. The program has been very successful for the ambulance service since the programs inception in 1988.
- **Fire Fund – Property Tax Subsidy** – In the 2004-05 budget it was necessary to transfer \$50,000 from the property tax funded Fire Fund to balance fee funded Ambulance Fund. That subsidy has been increased to \$100,000 in the proposed 2005-2006 Proposed Budget.

Short- and Long-Term Issues

➤ **Short-Term Issues**

- Continue to project and plan the effects of the fully implemented Medicare fee schedule.
- Continued compliance with federal HIPAA requirements.
- Implement requirements of the new Yamhill County Ambulance Service Agreement.

➤ **Long Term Issues**

- Continue to explore every possible solution to changing the Medicare fee schedule to adequately reimburse for the cost of providing ambulance transport services.
- Continue to evaluate the effectiveness of our services and how we accommodate the changing population and increased needs for services.
- Evaluate other funding options that may provide more stable funding opportunities.

Core Services

- Provide Advanced and Basic Life Support treatment for sick and injured patients in our 450 square mile Ambulance Service Area.



The ambulances
and rescue carry
576 feet of gauze.



Ambulance Fund - Resources --- Historical Highlights

1928 McMinnville Ambulance Service begins operating. Start-up funds loaned to the City by two local banks and Oregon Mutual Insurance Company. Start-up loans paid back by donations and charges for ambulance service.

1950 According to retired Fire Chief Jerry Smith, a typical ambulance transport cost ~\$2.50.

1987 Ambulance subscription sold for the first time at \$35 per household – FireMed.

2000 Non-emergency transport pay-for-service implemented in response to requests for quality transport service not available in the community.

2004 First transfer from Fire Fund supported by property taxes to support ambulance operations - \$50,000.

2004 Elimination of non-emergency transport service.

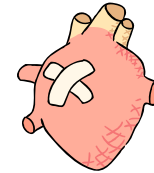
2005 Basic life support (BLS) transport, similar to the 1950 ~\$2.50 transport today costs ~\$530.

2005 Second transfer from Fire Fund supported by property taxes to support ambulance operations - \$100,000.

2005 First time Ambulance Fund operations cannot support purchase of a new ambulance. Capital Improvement Fund budgets to purchase \$130,000 with a combination of property taxes and remaining certificates of participation financing dollars.



Medic 10 drives 50,000 miles a year. The average family car drives 10,000-15,000 miles a year.



McMinnville EMS responded to 41 cardiac arrests in 2004.

McMinnville EMS stretchers are rated to a capacity of 600 lbs.



AMBULANCE FUND

2005-06

10-May-05

| | | | | | | | | | |
|----------------|----------------|----------------|--|--|------------------|-----------------|-----------------|----------------|--|
| 70 | 00 | | | | | | | | |
| ACTUAL | ACTUAL | BUDGET | | | NUMBER OF | PROPOSED | APPROVED | ADOPTED | |
| 2002-03 | 2003-04 | 2004-05 | | | EMPLOYEES | 2005-06 | 2005-06 | 2005-06 | |

RESOURCES

BEGINNING FUND BALANCE

| | | | | | | | | | |
|--|------------------|----------------|----------------|-----------------|--|-------------|----------------|----------|----------|
| | 0 | 0 | 0 | 60000-02 | DESIGNATED BEGIN FUND BALANCE: | 0.00 | 0 | 0 | 0 |
| | 0 | 0 | 52,300 | 60000-03 | DBFB - PERS RESERVE | 0.00 | 115,000 | 0 | 0 |
| | | | | | Estimated PERS designated cash carryover at July 1, 2005 discloses estimated accumulation of PERS reserves "saved" to off-set possible successful court challenges to PERS 2003 legislation. Amount which had been designated was 5.87% of covered payroll which was the difference between the original estimated PERS rate and the revised PERS rate which went into affect July 1, 2003 after the PERS 2003 legislative reform. | | | | |
| | | | | | Budget Note: After the March 2005 Supreme Court decisions, PERS Designated Fund Balance reserve will be eliminated during the 2005 - 2006 fiscal year. | | | | |
| | 357,237 | 391,098 | 425,000 | 60000-93 | DBFB - EMS A/R | 0.00 | 450,000 | 0 | 0 |
| | | | | | Non-cash Beginning Fund Balance comprised of estimated Ambulance Accounts Receivable balance at June 30, 2005. | | | | |
| | 12,488 | 10,403 | 5,000 | 60000-95 | DBFB - NET A/R | 0.00 | 0 | 0 | 0 |
| | 110,000 | 50,000 | 0 | 60000-99 | DBFB - VEHICLE RESERVE | 0.00 | 40,000 | 0 | 0 |
| | | | | | Designated cash carryover "saved" from the 2004 - 2005 fiscal year toward the future purchase of an EMS vehicle. | | | | |
| | 622,671 | 522,347 | 350,000 | 60001-00 | BEGINNING FUND BALANCE | 0.00 | 200,000 | 0 | 0 |
| | | | | | Estimated July 1, 2005 undesignated cash carryover from the 2004 - 2005 fiscal year. | | | | |
| | 1,102,396 | 973,848 | 832,300 | | TOTAL BEGINNING FUND BALANCE | 0.00 | 805,000 | 0 | 0 |

CHARGES FOR SERVICES

| | | | | | | | | | |
|--|-----------|-----------|-----------|-----------------|--|------|-----------|---|---|
| | 0 | 0 | 0 | 60034-00 | EMERGENCY MEDICAL SERVICE: | 0.00 | 0 | 0 | 0 |
| | 2,255,878 | 2,308,329 | 2,500,000 | 60035-00 | EMS TRANSPORT FEES | 0.00 | 2,625,000 | 0 | 0 |
| | | | | | Fees charged to patients that are transported or treated by ambulance personnel for emergency medical or trauma related incidents. | | | | |
| | | | | | Budget Note: The EMS Transport Fee amount reflects a fee increase of 2.7% Portland (CPI-W) cost of living adjustment. | | | | |
| | 76,541 | 78,915 | 85,000 | 60038-00 | EMS FIREMED FEES | 0.00 | 87,000 | 0 | 0 |
| | | | | | Fees collected from FireMed subscribers to provide ambulance service, if needed, for the cost of the subscription plus the subscriber's insurance coverage payment(s). | | | | |
| | 0 | 0 | 0 | 60045-00 | NON-EMERGENCY TRANSPORT: | 0.00 | 0 | 0 | 0 |

AMBULANCE FUND

2005-06

10-May-05

| 70 00 | ACTUAL 2002-03 | ACTUAL 2003-04 | BUDGET 2004-05 | | NUMBER OF EMPLOYEES | PROPOSED 2005-06 | APPROVED 2005-06 | ADOPTED 2005-06 |
|-------|--|-------------------|-------------------|---|------------------------|---------------------|---------------------|--------------------|
| | 78,655 | 66,923 | 0 | 60046-00 NET FEES | 0.00 | 0 | 0 | 0 |
| | Budget Note: Due to the availability of alternative non-emergency transportation, which was not available at the implementation of the City's non-emergency transport service, and due to continuing NETT operating loss, the City's NETT service is dropped in the 2004 - 2005 Proposed Budget. | | | | | | | |
| | 2,411,074 | 2,454,167 | 2,585,000 | TOTAL CHARGES FOR SERVICES | 0.00 | 2,712,000 | 0 | 0 |
| | <u>INTERGOVERNMENTAL REVENUES</u> | | | | | | | |
| | 16,100 | 15,900 | 16,500 | 60121-00 YCOM - DIRECTOR | 0.00 | 14,100 | 0 | 0 |
| | Emergency Medical Service Fund's 25% allocation of charges to Yamhill Communications Agency for Fire Chief Lilly serving as YCOM Director that comprises 40% of Chief Lilly's time. | | | | | | | |
| | Budget Note: The Fire Fund receives 75% of YCOM's service contract payment. | | | | | | | |
| | 16,100 | 15,900 | 16,500 | TOTAL INTERGOVERNMENTAL REVENUES | 0.00 | 14,100 | 0 | 0 |
| | <u>MISCELLANEOUS</u> | | | | | | | |
| | 10,442 | 8,005 | 2,200 | 60151-00 INTEREST | 0.00 | 6,600 | 0 | 0 |
| | 0 | 0 | 1,500 | 60161-00 DONATIONS - AMBULANCE | 0.00 | 1,500 | 0 | 0 |
| | 6,963 | 3,906 | 2,000 | 60167-00 OTHER INCOME | 0.00 | 3,000 | 0 | 0 |
| | 16,256 | 24,875 | 15,000 | 60167-01 COLLECTIONS - EMS | 0.00 | 25,000 | 0 | 0 |
| | Collection agency payments from ambulance past-due accounts previously turned to collections. | | | | | | | |
| | 646 | 334 | 3,000 | 60167-03 OTHER INCOME - NET | 0.00 | 0 | 0 | 0 |
| | 684 | 140 | 0 | 60167-12 OTHER INCOME - NET LIGHT DUTY | 0.00 | 0 | 0 | 0 |
| | 34,991 | 37,260 | 23,700 | TOTAL MISCELLANEOUS | 0.00 | 36,100 | 0 | 0 |
| | <u>TRANSFERS FROM OTHER FUNDS</u> | | | | | | | |
| | 0 | 0 | 0 | 60179-00 FIRE FUND: | 0.00 | 0 | 0 | 0 |
| | 352,986 | 391,643 | 400,338 | 60181-00 FIRE FD - FIRE FIGHTERS | 0.00 | 438,659 | 0 | 0 |
| | Transfer from Fire Fund for personnel cost allocations for Ambulance Fund Medic-Fire Fighters' performance of fire functions at the 35% fire allocation rate per the Fire and Ambulance Cost of Service Study. | | | | | | | |
| | 24,868 | 19,655 | 19,664 | 60183-00 FIRE FD - OFFICE STAFF | 0.00 | 27,741 | 0 | 0 |
| | Transfer from Fire Fund for personnel cost allocations for office clerical employee performance of fire support services at the 35% fire allocation rate per the Fire and Ambulance cost of Service Study. | | | | | | | |
| | 0 | 0 | 50,000 | 60185-00 FIRE FD - PPTAX SUBSIDY | 0.00 | 100,000 | 0 | 0 |
| | Property tax subsidy from Fire Fund primarily due to shrinking Medicare and Medicaid payment schedules. This is the second year of a property tax subsidy to the Ambulance Fund. | | | | | | | |

AMBULANCE FUND

2005-06

10-May-05

| 70 00 | ACTUAL 2002-03 | ACTUAL 2003-04 | BUDGET 2004-05 | | NUMBER OF EMPLOYEES | PROPOSED 2005-06 | APPROVED 2005-06 | ADOPTED 2005-06 |
|-------|-------------------|-------------------|-------------------|---|------------------------|---------------------|---------------------|--------------------|
| | 377,854 | 411,298 | 470,002 | TOTAL TRANSFERS FROM OTHER FUNDS | 0.00 | 566,400 | 0 | 0 |
| | 3,942,415 | 3,892,473 | 3,927,502 | <i>TOTAL RESOURCES</i> | 0.00 | 4,133,600 | 0 | 0 |