

Minutes of Meeting
Board of Ambulance Budget Meeting
June 24, 2013
11:00 a.m.

The Kootenai County Board of Commissioners: Chairman Todd Tondee, Commissioner Dan Green and Commissioner Jai Nelson met to discuss the following agenda items. Also present were KCEMSS Secretary/Treasurer Tracy Abrahamson, EMS Chief Officer Lynn Borders, Worley Ambulance General Manager Charlene Waddell, Spirit Lake Fire Chief John DeBernardi, Fire Chief Dean Marcus, Northern Lakes Fire Chief Brad Van Ert, KC Fire and Rescue Chief Warren Merritt, Firefighter Scott Dietrich, EMS Officer Bill Keeley, City of Coeur d'Alene Finance Director Troy Tymesen, Hauser Lake Fire Chief Larry Sims, KC Fire Deputy Chief Aaron Jones, JPB Board Member Dave Halpin, Robert Anderson, Doug Tyrell, Bill Waddell, Dan Sneve, Zipporah David, Lee Holbrook, Tom Greif, Brandy Browning, Veronica Mitchell, Chad Tortorelli, Mathew Tosi, Civil Deputy Prosecuting Attorney Pat Braden, and Deputy Clerk Nancy Jones.

A. Call to Order: Chairman Tondee called the meeting to order at 11:13 a.m.

B. Introductions: There were no introductions made.

C. Changes to the Agenda: There were no changes made to the agenda.

D. Old Business: There was no old business discussed.

E. New Business:

Chairman Tondee stated that the purpose of the meeting was to convene as part of the Joint Powers Board in order to conduct a budget workshop with the Kootenai County Emergency Medical Services System (KCEMSS) Board. KCEMSS Secretary/Treasurer Tracy Abrahamson explained that initial KCEMSS budget calculations are showing an anticipated deficit of \$101,000 for FY2013. This amount includes an increase in County tax revenue (due to higher than anticipated new construction growth), as well as increased costs resulting from a likely contractual increase (from five percent to six percent) with Kootenai Medical Center (KMC).

Ms. Abrahamson reviewed the three (3) main causes for EMS revenue reductions in the first part of 2013. In 2012, the Idaho Physician Commission enacted a scope of practice change that reduced revenue that was previously received from blood glucose checks. This change is expected to result in an estimated \$62,500 loss of revenue by the end of FY2013. In addition, EMS has experienced significant reductions in both 9-1-1 and Critical Care Call transports. While this trend could reverse itself in the last part of the year, it is currently expected to cause revenue reduction of approximately \$106,000. Finally, changes in Medicare billing have resulted in an anticipated revenue loss of about \$40,000 in FY2013. In response to questions from the Board, Ms. Abrahamson explained that the net number of response calls (including 9-1-1, critical care, and non emergent calls) have remained stationary; however, the number of calls that result in revenue-generating patient transport has significantly decreased. EMS Chief Officer Lynn Borders explained that although non emergent transports have increased, this does not provide a notable revenue increase because the rate is far lower than the rate for emergent transport. Ms. Abrahamson explained that the fee structure could be raised, but that seventy percent (70%) of EMS revenue is generated from Medicare, Medicaid, County funds, and Blue Cross. Mr. Borders stated that EMS does intend to raise fees, as they have been stationary since 2009, but that the net income will not be significantly affected because it represents such a small percentage of EMS revenue.

Mr. Borders stated that costs have increased in all areas, and that revenue has steadily decreased due to the reduction in the billable scope of practice. Ms. Abrahamson explained that EMS receives approximately 14,000 to 15,000 response calls every year, but that only about 8,000 calls result in transport. Kootenai County Fire and Rescue Chief Warren Merritt explained that, while call volume is relatively stationary, changes to the billable scope of practice have resulted in revenue decreases. In addition, patients who choose private transport, patients who are treated on scene, and patients who do not require transport are not billed for an EMS response call (because only transport calls are billable under current policies). Northern Lakes Fire Chief Brad Van Ert shared that call time also plays a role, with longer calls (including most non emergent transport requests) contributing to decreased revenue. Mr. Borders stated that staffing has been reduced, and inefficiencies identified by the EMS study have been addressed, in order to reduce expenditures. In order to avoid cutting services, Mr. Borders stated that EMS is requesting approval to use their \$117,000 in available foregone funds. Hauser Lake Fire Chief Larry Sims stated that, while he does not generally support the use of foregone funds, the allowable three percent (3%) budget increase is usually not sufficient to cover annual cost increases, and that he would support the use of foregone funds for FY2013.

The group continued to discuss the difference in transport types, call volume and billable transport comparisons, and general revenue reduction issues. The Board also asked questions regarding the Capital Purchase Plan, building maintenance and improvement plans, and amounts available within the EMS fund balance. City of Coeur d'Alene Finance Director Troy Tymesen gave an overview of the EMS budget, including fund balance, investment/capital, and restricted fund information. Mr. Tymesen indicated that taking foregone taxes would result in an approximate tax increase of \$36.18 for the owner of a home valued at \$200,000.

Ms. Abrahamson stated that the EMS budget will be published by July 11, 2013, with their final budget presentation scheduled on July 25, 2013. Chairman Tondee indicated support for the overall budget proposal, but he stressed the need for a re-evaluation of long-term planning and fund balance use. Commissioner Nelson suggested consideration of comprehensive, long-term budget solutions, and a review of available tools, including fee increases. The Board shared their view that use of foregone funds is a "band-aid" solution, indicating that they are not in support of approving use of foregone funds for FY2013 when other solutions appear to be available.

F. Staff Reports: There were no staff reports.

G. Public Comment: This section is reserved for citizens wishing to address the Board regarding a County related issue. There was no public comment.

The meeting was adjourned at 12:33 p.m.

Respectfully submitted,

CLIFFORD T. HAYES, CLERK

BY: _____
Nancy A. Jones, Deputy Clerk