

**CENTRAL LANE AMBULANCE TRANSPORT SYSTEM
JOINT ELECTED OFFICIALS TASK FORCE**

Meeting Summary

October 5, 2009

**Eugene Emergency Services Training Center – 1705 W 2nd Avenue
12:00 p.m. – 2:00 p.m.**

Elected Officials Present:

Eugene City Councilors Mike Clark and Andrea Ortiz

Springfield City Councilor Hillary Wylie

Lane Rural Fire/Rescue Board President Larry von Moos

Eugene Staff Present:

Randy Groves, Denise Giard, Joe Zaludek, Julie Lindsey, Glen Potter

IAFF Local 851 Representative Present:

Scott Olmos

Springfield Staff Present:

Dennis Murphy, Bart Noll

Lane Rural Staff Present:

Dale Borland, Chris Heppel

LCOG Staff Present:

Byron Vanderpool, Paula Taylor

Others Present:

Mike Andrews and Mike Collins – Rural/Metro Ambulance Service

1. Welcome

- Randy Groves convened the meeting. He noted that Councilor Dave Ralston and Commissioner Rob Handy will not be attending today's meeting.

2. Future ATS JEO Task Force Meetings

- The next ATS JEO Task Force meeting is scheduled for:
 - Monday, October 19, 2009 from 12:00 pm to 2:00 pm in the Eugene Fire Conference Room.

3. Items for Discussion

Public Forum Results

- Randy Groves noted that there were nine public forums held throughout the Eugene and Springfield metro areas that were designed to garner public input on the strategic options developed by the Task Force to close the funding gap on the region's ambulance transport systems.
- Glen Potter handed out a summary of the survey results and written comments to date from both the online survey and the hard copy ballots that were passed out at the various public forums. He noted that the hard copy ballots were all hand entered into the electronic survey to aid in generating the summary report. He also noted that he included the residency location of the respondents in the summary information.
- Glen noted for the group that option A2 had the highest average rating but the others did have favorable averages.

- Randy Groves noted that comments 7 – 15 were from the straw poll that was taken at the Chamber Meeting and noted as such in the survey responses since staff had entered them.
- Councilor Mike Clark asked how well the costs of the special district were outlined for the public. Randy Groves said that they did not go into specific dollar amounts during the public discussions. He explained that they discussed the options conceptually and said that if any of them is progressed forward, then a detailed analysis would be made of the costs for the elected officials and the public for a vote. He also said that the Chiefs discussed the ESCI Study and identified the on-going savings in personnel reductions identified by the consultant. Dennis Murphy explained that public discussion remarks were not included in Glen's handout. He said that there were a couple of themes present in the discussions. The consensus is that as long as the departments have tried every other alternative to trim costs, then they would support the other options including a tax increase. There were also some positive comments on FireMed and that many seem to support the FireMed program and advocate for its expansion. Dennis Murphy stated that he wasn't sure if FireMed could saturate the county enough to solve the problem, but he is looking into increasing FireMed visibility in the community and changing the focus of the campaign to one more centered on supporting the system as opposed to a campaign that rationalizes why it is a good investment for the individual. The Chamber of Commerce is also interested in this issue and asked what they can do to help. They were very interested in promoting the FireMed program. The City Club also hosted a discussion on the issue of ambulance funding and the Eugene/Springfield merger proposal.
- Councilor Clark noted that the survey results juxtapose what the comments were saying. He was wondering why that was. He said that the survey says to go forward with a new tax base but the comments are saying not to create a new tax base. Randy Groves and Glen Potter explained that the comments were in addition to what was in the survey so it appears to be saying that the public does not want a new tax base but if they must have one, they have some comments they wanted to make heard about the tax base.
- Councilor Andrea Ortiz wanted to know what the percentage of the summary results was from actual ballots and how much was from the online survey. Glen explained it was about a 50/50 split. Randy Groves noted that most of the lengthy answers seemed to come from the online surveys where a person has more time to add their comments. He said that a lot of the people who attended the public forums chose to take the ballot home and do the survey online after they had more time to read through the information. Councilor Ortiz also said that she felt the questions were done well and appears bipartisan and she is pleased with how well the survey was done.
- Randy Groves said that the public forums were very good and some good questions were asked. He said that there were a few misconceptions about how the ambulance system works but the Chiefs were able to inform on how the system works. Councilor Ortiz is hopeful that at least one of the options is chosen to go forward, but at the very least, she is glad that there has been an education of the public that has come out of this process. She said that other communities have hospitals that own their own ambulance systems. She believes that is not an option at this time for our local hospitals but was wondering if anyone thought of that option. Randy Groves stated that they are aware of that model in other areas outside of Lane County, but that it

- was not an option that they have been pursuing and it was not an option that the members had raised. He said that there are many different ideas and they are looking at them but they all come down to the same thing. They all lack the financial resources to sustain the program. That is the root cause of the problem.
- IAFF Representative Scott Olmos asked how many people attended the public forums. Randy Groves said that the most that attended was about 35 in the Veneta area but the rest of the forums averaged about 15 people. Scott noted that it doesn't appear that very many people participated in the public forums or the survey process. He asked if there were any additional forums scheduled. Randy Groves stated that there were no additional public forums scheduled but he doesn't feel that there would be much more value in holding additional meetings. He explained that the Register Guard Newspaper has run articles on the issues as well as positive editorials, there was an ad placed in the paper advertising the public forums, all three television channels did pieces on the ATS, he and Dennis Murphy did a radio spot about the issue and there was also the website survey. Scott stated that he hoped that the elected officials would look past the misguided comments in the survey and will decide for themselves which options they prefer. Councilor Ortiz asked Scott if he saw a silver bullet in the survey that they were missing. She said that she would prefer not to expend any more city resources on disseminating this information unless there is a real need for it. She said that the next level of decision needs to be made at the Joint Elected Officials level. Scott said no, there wasn't anything that was missed he just wanted to be sure the public was given adequate opportunities to be heard. Councilor Clark stated that he believes that if the public feels an issue is a real threat then they will speak out en mass to any negative situation. But he thinks the public feels that ambulance transports are a core service and they expect that service to be there. He believes that ambulance service IS a core service and he believes that the merger of Eugene and Springfield Fire Departments is a good idea. He said that the merger would create better efficiencies, increase FireMed memberships and give more power in garnishing General Fund money to support these core services. He believes the General Fund should be the support piece. Dennis Murphy said that they are planning to go heavy on FireMed advertisements that stress that FireMed is good for the community as well as families.
 - Randy Groves said that both departments are working on a report to be presented to the full Joint Elected Officials Group meeting. He said the report is the how of the merger piece that explains how the merger would look and work. It will show what each department is doing, how those items can be combined and how the combined department would function. He said that he expects that report to be in the hands of the City Councilors before the Thanksgiving Holiday. He stressed that it is not an implementation plan but more of a general report as to how the merger could happen and what the outcomes would be.
 - Councilor Hillary Wylie said that she believes they need to hammer out what the different options would look like and she would like to see a detailed report with some specific information that outlines the various options and what those options would mean for all parties involved. Councilor Wylie asked what the governing body of the merged department would look like. She wanted to know how the councils, mayors and other city departments would look after the merger. She feels that she cannot decide on any option until she has more information. Dennis Murphy said the responses to these questions will come in the new report that will be ready by the Thanksgiving Holiday.

- Councilor Wiley stated that she has sent some emails regarding the Oregon Health Plan and their ambulance payment rates. She said she hasn't heard back but was wondering if anyone else has attempted to contact anyone at the state level regarding this issue. She said that she understands the state is not paying enough for transports to cover ambulance service. She said she also understands that the federal government and Medicare/Medicaid department deficiencies also need be addressed. She is wondering if anyone has taken these concerns to the state or federal level. Denise Giard said that there are many agencies that have been asking the government for additional funding but the agencies are continuing to receive answers of "no" from the government. The government is saying they do not have the money to increase reimbursement rates or to give additional funding. Denise Giard stated that she knows that letters have been written personally, on behalf of departments and through ambulance associations requesting rate increases, all to no avail.
- Mike Collins, a representative from Rural/Metro Ambulance stated that what Denise Giard stated is true. He said in addition, the government has been trying to lower their reimbursement rates. Councilor Wylie asked if Senator Wyden's office had yet been contacted. Mr. Collins and Denise Giard both stated that yes, his office has been contacted but they are not willing to spearhead this issue. Dennis Murphy said that the Senator's Office has larger issues that are taking up their time right now. He said that the bottom line is that there are many hands in the pool of money and ambulance service is a very small piece in the big funding picture. He said the general opinion of ambulance services is that if the communities feel that ambulance service is considered important, then the communities need to find a way to fund the service. Councilor Clark agreed that the system needs to be sustainable and Councilor Ortiz commented that she strongly believes that pre-hospital care is very important.
- Councilor Ortiz said she thought it might be a good idea to have a town hall meeting put on the three local TV Stations to address this issue. She thinks it might be a good option to get information out about this issue. Randy Groves said he felt a town hall meeting format would have to go beyond just the ambulance piece in order for the networks to take it on and to gain a broader appeal.
- Dennis Murphy felt that in order to get a more scientific survey, a telephone poll would be needed. Dennis Murphy said that he would want a poll done prior to actually putting something on the ballot. He believes that a poll could also answer Scott's questions about whether the survey was a good representation of the public opinion.
- Randy Groves noted that he was pleased with the Register Guard's editorial, citizen op-ed piece and the articles. He said that he felt the Register Guard seemed to reflect the fundamental principle of keeping up the quality of the system while maintaining people's access to the system.

Task Force Recommendations

- The councilors that were present felt that today's Task Force meeting was not the time to make final recommendations because not all of the elected officials were in attendance.
- Councilor Wylie said she is not comfortable making any decisions about a district until she has clear definitions. Randy Groves explained that an ambulance service district is not the same as a fire district. He explained that the ambulance service district is a revenue generating mechanism that directs funds to existing ASA holders.
- Councilor Wylie asked how long the saving created by the merger of the two fire departments would help the ambulance system. Dennis Murphy said that any discussion of the ambulance transport system needs to include Lane Rural Fire/Rescue, along with Eugene and Springfield. Dennis Murphy went on to explain that if the Ambulance Service Area (ASA) were reconfigured and Eugene was not longer responsible for the western side and Lane Rural was able to take on that area, it could potentially help both departments. However, the Ambulance Transport Fund (ATF) is in a deficit of \$2 million dollars and that deficit continues to grow each year. Randy Groves noted that Eugene has had some dialogue with Lane Rural about reconfiguring the ASA boundaries and potentially putting a unit in Veneta. Lane Rural says they may be able to do that to assist with the west side of the ASA but Randy Groves wants to be sure everyone understands the consequences to the existing service systems and communities served, and that there is a planned transition, not just going forward without a plan. Randy Groves wants to be sure that everyone understands that both systems need time to readjust how services are being delivered so that neither system crashes. Councilor Wylie then asked what it would cost the average household within the boundaries of the taxing district, if the taxing district went into effect. Randy Groves stated that the ball park projection would be around \$0.35 - \$0.55 per thousand dollars of assessed value for each property in the two cities. Dennis Murphy explained that this would also be answered with the report that will be presented on December 7, 2009. Dennis Murphy said that the cost of the district is a work in progress and they want to be sure that they go to the taxpayers with the correct amount but not so much that the taxpayers think it is too much to ask for. He said they would account for inflation in the cost, also. Councilor Wylie said she is not comfortable making any decisions until she has some clear definitions. Randy Groves explained to her that an ambulance service district is not the same as a fire district. He explained that the cost that is in the narrative of the survey is for an ambulance service district. He said that in the fire district model, additional funds at a commensurate rate to the ambulance service district would need to be built into it to cover the ambulance program. He explained that at this point we are seeking feedback on a concept rather than a hard proposal. If provided the direction to move forward, then the proposal would be fleshed out for consideration by the two councils, Board of County Commissioners, and finally, a vote of the people.
- Councilor Clark urged additional information be provided that includes "if this – then that" scenarios for each option. Randy Groves said that as the report of how the merger could be accomplished is completed, he will have more detailed information. Councilor Clark stated that he is looking more at a long-term solution than a short-term solution. Dennis Murphy explained that if the merger is the decision it will be best to begin with Intergovernmental Agreements (IGA's) then move onto the Metro Plan updates and then go for the full merge of the departments. Randy Groves noted

that the IGA is the in between step, not necessarily a full solution. He said that the IGA's would be part of the implementation plan.

- Dennis Murphy said that he has been in talks with Rural/Metro about non-emergency transports and if they would be interested in expanding their service into Springfield. Dennis Murphy said that he has been looking into changing configuration choices under a merged department. Scott asked why Springfield is in talks with Rural/Metro if they are not experiencing capacity issues. Dennis Murphy stated that their current deployment may be weighted too far to the east making it harder to best utilize their capacity. He emphasized that this idea would only work under a merged department and that as call volume increases, it makes more sense to consider Eugene's model.
- Councilor Clark asked if the creation of the special district would require a levy every four years. Randy Groves noted that the vision is to establish the district with its own tax base with no need for a serial levy.
- Councilor Wylie said she would like a master timeline put into place for the JEO's. She said she is pleased with how well the departments are working together. Randy Groves explained that staff from both departments have been working hard on compiling the information for the report. He said that on the merger piece, the report will hopefully give the councilors the information they need to make an informed decision but he said the ambulance piece does need more information. Randy Groves said that the next step is the IGA while staff work on the master time line.
- Councilor Ortiz recommended that they start with the survey options to try to narrow the focus of the group's recommendations. Councilor Wylie said this is such a complex issue. Councilor Clark stated that he feels the public is looking to the JEO to make the recommendations.
- The vote:
 - Councilor Clark voted for A1, A2, A4, B4 and B5 while increasing FireMed saturation. He felt that A2 is the best long-term proposition but he didn't like option A3.
 - Councilor Ortiz voted for A1, A2 and A3. She feels that B4 is doable without asking the taxpayers for more money. If the taxpayers do not want to pay more, then that leaves option B4. She also supports option B5.
 - Lane Rural Fire/Rescue President Larry von Moos voted for B4 and B5. He feels that option A2 would be a tremendous transition for them. He said that Lane Rural's perspective is that if A4 does not happen, then A3 should be on the table. Following the meeting, he amended his vote to Randy Groves stating that he supports A2.
 - Councilor Wylie voted for A1, A2 and B4. She feels that options A3 and B5 could be second tier options.
 - Randy Groves said that since they were three Task Force members short this item should be tabled until the next meeting. All agreed.
- Councilor Ortiz said that she would pass around the Regional Ambulance Transport Funding fact sheet to the other council members. She also suggested having the survey and ballots available for discussion. She also felt that knowing how much money the General Fund gives to the department will help with recommendations. Randy Groves said that in Eugene no General Fund money is directed to the ambulance transport system.
- Randy Groves said that the merger report will be applicable to option A2. He feels that the work around option A2 will answer questions about option A3. He noted that LCOG already completed a report on option A3. He also asked the Councilors if they

were looking at option A1 to be a short-term or long-term solution. Councilor Ortiz said they are looking at both. Councilor Clark said at the minimum it needs to a short-term answer.

- President von Moos said that Lane Rural Fire/Rescue District is already utilizing option A1. He said that option A2 isn't really an option for the rural districts. Dale Borland feels that option A2 is what they are already working with and it seems that depending on the formation of a metro district, it may become a long-term solution for Lane Rural. He said it may take a little while to get the County Commissioners on board. A question was asked if Commissioner Handy has expressed an opinion on this. President von Moos is waiting to get additional information first. He said that there is some concern about the rural agencies being forgotten during all of this. Randy Groves said that would not happen. He said that in his talks with the Commissioner it has been expressed that as long as service levels stay the same or increase, it is not anticipated that the county will have any issues. He said that he believes a part of the Commissioners concern will be that no unincorporated residents are left out.
- Randy Groves asked the councilors to encourage their partners to attend the next meeting so that something can get fleshed out. He reminded everyone that we are now working on a rather short timeline with a report due back to the full JEO on December 7th.
- Councilor Wylie agreed to talk with Councilor Ralston and will forward him the information.
- Randy Groves noted for the group that KLCC radio will be replaying the City Club meeting that he and Dennis Murphy were the presenters at last Friday at 6 pm today.

Op-Ed Draft

- Randy Groves said that he has not been able to get everyone in the same room to reach a consensus for the op-ed piece. He wants to have buy-off from all Task Force members before it is submitted to the Register Guard since it will have all of the Task Force members' names on it. Councilor Ortiz agreed to encourage Commissioner Handy while Councilor Wylie agreed to encourage Councilor Ralston. Randy Groves said that they plan to modify the piece previously drafted to speak to the current issue – which is educating people on the recommendations. Glen agreed to take a first stab at drafting the op-ed piece and send it out to the Task Force to weigh in on. All agreed.

Next meeting

- The next meeting was set for October 19, 2009 from Noon until 2 pm in the Eugene Fire Conference Room.

(Recorded by Cinimint K. Harper)



REGIONAL AMBULANCE TRANSPORT FUNDING

History and Problem Statement:

In central Lane County, ambulance service is expected to be self-supporting; historically, general tax support has not been authorized, and the service instead has been funded by fees (and supplemented by FireMed ambulance membership revenue).

This region's ambulance system has a history of state and national awards for excellence. However, specialized equipment and highly trained emergency responders come at a high price, and as costs rise, so do the fees.

But the actual fee schedule is only a small part of the story. In fact, the majority of ambulance transports in our area are provided to individuals 65 and over, who are covered by Medicare. Federal laws enacted over the past decade have greatly reduced the amount of reimbursement an ambulance provider may collect from Medicare. There is a corresponding issue at the State level, with Medicaid.

In addition, the downturn in the economy is resulting in a higher percentage of patients being transported who are uninsured, underinsured, or unable to privately pay their bills.

As an overall result, the ambulance providers – Eugene Fire & EMS, Springfield Fire & Life Safety, and Lane Rural Fire/Rescue – are losing money on most transports. The full listed fee is hardly ever actually collected.

We have now reached the point where there is insufficient revenue available to continue the service on a self-sustaining basis. Because our ambulance agencies have become a revenue-negative enterprise, something must be done.

Recognizing this, the elected officials of the City of Eugene, the City of Springfield, Lane Rural Fire/Rescue, and the Lane County Board of Commissioners have formed the Joint Elected Officials Ambulance Transport Service Task Force. With input from the public, and with information from ambulance service administrators, fire officials, firefighters' unions, patients, and other stakeholders, the Task Force will make a recommendation – or series of recommendations – to the four elected bodies.

The change to a new funding system may be fast or slow. It may affect the level of service. It may affect other government services. Whatever the change is, it will have pros and cons. But change must come if we are to keep high-quality ambulance service available in our region.

Some of the options the Task Force is considering are explained on the reverse. A form to provide brief written feedback to the Task Force is also provided. Thank you for your interest, and we encourage your participation.

AMBULANCE SERVICE FUNDING OPTIONS

Option A1 – General Fund Support. Elected officials have agreed that ambulance service is and should remain a “core” public service. However, the service has historically been self-supporting, and providing General Fund support would mean reducing other public services. Municipalities are already facing steep General Fund shortfalls. Lane Rural Fire/Rescue and the City of Springfield are now providing limited General Fund support to ambulance transport, but only out of necessity. It should be remembered that General Fund support would augment ambulance transport fees, not replace them. Fees would still be required, both as an offset to taxation and as a deterrent to abuse of the service.

Option A2 – Form a Fire District that Provides Ambulance Service. Under this option, which would require voter approval, some portion of central Lane County would form a new tax-and-service district, or annex into an existing one. The cities of Eugene and Springfield would no longer be responsible for fire and ambulance service in their jurisdictions. Such a merger could also include the Lane Rural Fire/Rescue District. Under this proposal, the cities would no longer be required to allocate General Fund support to the fire departments, and city taxes could be reduced to that extent. Instead, the new entity would tax property owners as necessary to provide adequate fire protection and financially stable ambulance service. Again, an ambulance transport fee would still be required, but could potentially be reduced.

Option A3 – Form a Special Health Taxing District. Under this option, which would also require voter approval, a limited county-wide taxing district would be formed to support all eight of Lane County's ambulance service districts. Although more analysis would be needed to determine the exact amount of property tax needed, early estimates place the range between 35 and 45 cents per thousand dollars of assessed value.

Privatize the Service. To maintain the high quality of service enjoyed by the current system, and to continue to enjoy the utility afforded through the use of cross-trained firefighter/paramedics that can respond to a broader range of emergencies, the Task Force has removed this option from consideration at this time.

Continue to Raise Ambulance Service Fees. This is not considered a viable long-term option, because the full fee is so seldom collected. Prior to the Medicare reimbursement reductions, rate increases were used successfully to balance the budget. Now, however, even a substantial increase only produces a limited amount of revenue and buys a small amount of time, because the majority of patients are either covered by Medicare or are unable to pay.

Option B4 – Change Service Area Boundaries. Under Oregon law, ambulance service areas are assigned by each county's Board of Commissioners. The Lane County Board of Commissioners could act to change the existing boundaries so as to provide for more of an urban/rural split of service areas between Eugene and Lane Rural; Springfield would not be affected. With such a change, Eugene would have options for changing its transport service model, possibly reducing costs, because a paramedic fire engine already responds to medical calls in the metro area. Lane Rural, at the same time, would add call volume which could add to its financial base. This option does not necessarily raise revenue or reduce cost, but it would redistribute responsibility for service with the potential of adding stability to the system. All automatic and mutual aid agreements would remain in force and provide for back-up coverage between the jurisdictions.

Option B5 – Mobile Health Care System. This refers to the creation of a new network of emergency and non-emergency health care response vehicles and caregivers designed to better match the needs of the patient with the level of response. The goals would be to improve access to health care, improve the quality of care, reduce the overall cost by sorting the type of illness or injury and matching the care with the type of illness or injury, and create a new source of revenue that would contribute to the system. If successful, the new design could become an important ingredient for the success of health care reform efforts. However, the model is untested and would require start-up funding to prove that it will achieve the desired outcomes.

Other Options – The Ambulance Transport System Joint Elected Officials Task Force is interested in hearing additional proposals that have potential to stabilize ambulance transport funding in our region on a long-term basis. The list above presents the most viable options that have been identified to date. More and better solutions may exist.

