

Analysis of Fire Department personnel in regards to SAFER Grant

Overview:

The City being awarded the SAFER Grant has triggered some much needed discussions about the Ambulance Service Area (ASA) within Baker County as well as how Emergency Medical Services (EMS) are delivered throughout the County. In this overview, I will attempt to lay out the current service levels, how EMS services are funded and potentially point the decision makers toward a sustainable solution.

The City currently has 13.5 FTE in the Fire Department. These positions are broken out in the following manner:

- 1) Fire Chief: This position was cut to half time in this budget year based on the Chief requesting leave for health issues and budget concerns. The Chief should be returning to work on January 1, 2018. The goal would be to have this position full time in next year's budget.
- 2) Fire/EMS: 12 FF/EMS which work 24 hour shifts. Currently we are staffed with 4 of these positions in station 24/7 excluding vacation, sick leave, or injury. The reality is that we have many shifts with at least one person out on some type of leave.
- 3) Fire/EMS: 1 FF/EMS who works 40 hours per week. This position was added in the 2016-17 budget. This position works five eight hour days during peak call volume time.

The Fire Department is funded in the following ways based on the 2017-18 budget:

- 1) Total Expenditures for the Fire Department is \$1,812,690
- 2) Ambulance revenues from billing is \$731,100
- 3) Total contribution from General Fund is **\$1,081,590**

The call volume for the Fire Department which includes calls for fire and calls for EMS are detailed below:

Year	Fire calls	EMS calls	Total calls
2013	199	1343	1542
2014	179	1535	1714
2015	311	1598	1909
2016	304	1629	1933

Based on the average call volume for the last four years, the fire calls make up 14% of the total calls with the EMS calls making up 86% of the calls. As I analyze the EMS budget, the 86% of total call volume is what I am using as a basis and this equates to a budget of **\$1,558,913** for ambulance service.

TLT ->
Bldg Dept ->

The Call volume for the EMS has been increasing over the last few years. I analyzed the call volume and averaged the number of calls over the last 4 years. (Fiscal years 2013-2016) The following is the average call volume for the City and the County.

Year	County calls	City calls	Total calls
2013	335	1008	1343
2014	352	1183	1535
2015	390	1208	1598
2016	288	1341	1629

The average call volume over the last four years was **approximately 22% for County calls and 78% for City calls.**

Medicare and Medicaid patients make up approximately 60% of the calls for service. I did not have any way of calculating actual numbers from the City and County, so therefore I assumed that 60% of total revenue was from Medicare/Medicaid. The reimbursement rate for medical emergency calls for Medicaid is \$420 and Medicare is \$517. We get no mileage from Medicaid unless the patient is transported more than 10 miles. Medicare pays a nominal fee for transport. Baker City EMS also averages 25% of all calls that the patient refuses transport. Medicare and Medicaid will pay nothing in these instances. We do have the ability to receive some dollars from private insurance if we actually perform a service but it is at a reduced rate from emergency billing. Staff is working on ways to collect for non transports but there is no clear path forward.

County residents currently pay between forty and fifty percent more for a call than City residents. The rates are as follows:

City Basic Life Support: \$1079

County Basic Life Support: \$2144

City Advanced Life Support: \$1550

County Advanced Life Support: \$2550

These are the fees that are allowed based on our cost of service. As can be seen from the above analysis, Medicare/Medicaid only pay their reimbursement rate. The total amount for other transports is a combination of SAIF, motor vehicle accidents and private insurance and they total approximately \$230,000 annually (31.5% of call volume).

I believe that this constitutes an overview of costs and allocations of our EMS service.

SAFER Grant Synopsis

The City received notice that we were awarded a SAFER Grant from FEMA. We have until October 31, 2017 to accept or reject the grant. The grant has the following stipulations:

- 1) We must continue to keep the 14 full time fire personnel employed that are on staff today.
(Chief Wills is on medical leave until January 1, 2018 and is counted in the 14)
- 2) We must add 3 FF/EMT to the Fire Department based on grant criteria.
- 3) Assuming that we accept the grant and have staff in place by January 1, 2018 our cost share will be the following
 - a) Budget year 2017-18 City Share \$28,791
 - b) Budget year 2018-19 City Share \$57,582
 - c) Budget year 2019-20 City Share \$103,647
 - d) Budget year 2020-21 City Share \$74,856

Total Cost to City **\$264,876**

Total paid by FEMA **\$426,099**

*690,975 over 3 yrs
\$230,500/yr.*

The SAFER Grant only covers the cost of personnel. It does not include any equipment, turnouts or other miscellaneous costs. Preliminarily, we believe that the onetime startup costs will be approximately \$14,000. The present budget does not support this expenditure but we could allocate money out of the Fire Equipment Replacement Fund.

The City currently allocates \$85,000 towards overtime. With three additional FF/EMT's, we believe that we can cut our overtime expenditures from \$85,000 to \$30,000. This will save the fire department budget \$55,000 per year over the course of the grant. The average that the City will need to come up with annually is approximately \$88,000 per year for three years. This leaves a gap of **\$33,000 per year**. At this time, we do not have access to \$33,000 per year to accept the grant.

Fire Department Assessment

The SAFER Grant discussion has led us to take a good hard look at the operations of the Fire Department. We had some discussions with Chief Wills in the budget process and we added the 40 hour FF/EMT position in 2016-17. Even with this position, the department is struggling to maintain an effective 24/7 operation. The department has had considerable health issues that have necessitated additional overtime but with the physical requirements of the job, these have become a cost of doing business. With the geographic area that we cover, it is becoming apparent that we will have to look at changing the way that we deliver service. The bottom line is that we either increase personnel or reduce the area that we serve.

At the present time, Baker City EMS covers all of Baker County except the Halfway/Richland area, south from Weatherby to the County line and an area surrounding Unity. The area we serve constitutes approximately 1600 square miles. The SAFER Grant will allow us to increase personnel. The reduction of the area that we serve will be analyzed in the next section.

Impact of Reducing the Ambulance Service Area (ASA)

Considerable time has been spent analyzing how the City could shrink the ASA and what the effect it would have on the Fire Department budget and to the residents in Baker City and the surrounding area. Lowering the ASA incrementally is nearly impossible to analyze, so the following analysis is to bring the ASA to encompass only the City limits of Baker City.

If Baker City were to only serve the boundaries of Baker City, the impact on our fire budget would be as follows:

Total EMS Revenue	\$731,100
Total EMS Rev. from County residents (22% of total revenue)	\$160,842
Total Expected Revenue with reduced ASA	\$570,258

If the City no longer left the geographic boundary of Baker City, we project that we could adjust staffing to the following:

- 1) Fire Chief
- 2) Two Assistant Fire Chiefs (40 hour positions)
- 3) Nine 56 hour FF/EMT

This would leave us with 12 Fulltime FTE. Each shift would have three 56 hour FF/EMT's (24 hour shifts) and the Assistant Chiefs would be staggered to be in house during the peak call times. With the ambulance not leaving the City limits, we believe that this level of personnel would be adequate for the needs of the citizens and taxpayers of Baker City.

The impact to the budget would be as follows:

1) One Assistant Chief position eliminated	\$117,789
2) One 40 hour position eliminated	\$75,000
Total budget savings	\$192,789

In addition, we believe that we could save approximately \$20,000 from our overtime budget if we did not respond outside of the City limits. This would result in personnel and overtime savings of approximately **\$52,000** to the Fire Department Budget. Of course this does not analyze what the effect of the City reducing the ASA has on the citizens of Baker County that would no longer get service from the Baker City Fire Department. This analysis is just an attempt to quantify numbers. The City Council and the County Commissioners will need to have those policy discussions and determine a path forward to make sure that all citizens are receiving the services that they are paying for and are expecting.

Recommendations

The SAFER Grant is a good opportunity to add much needed personnel to the Fire Department. As my analysis has shown, we are in need of changing the way we fund and operate the Department. If we can find the match for this grant, it will give all stakeholders in the Fire/EMS arena, time to come up with a long term plan to provide EMS service to all Baker County residents. Some possible outcomes that could affect the EMS service going forward are as follows:

- 1) Some type of taxing district could be formed.
- 2) The State and Federal governments could increase the payment for Medicare/Medicaid. (Legislation has been passed but to date no money has been allocated)
- 3) The City and the County could work together to keep the ASA intact. Continue to seek additional partners to help fund EMS within the County. (ODOT, small cities, regional hospitals, Oregon Health Authority, etc.)

Some possible outcomes of the analysis of the Baker City Fire Department and the SAFER Grant are as follows:

- 1) Baker City accepts the SAFER Grant with assurance from the Baker County Board of Commissioners that they will provide \$30,000 to \$35,000 per year for a three year period. Baker City would agree to keep the present ASA for the period of the SAFER Grant.
- 2) Baker City declines the SAFER Grant and begins discussions with Commissioners on ways to coordinate the shrinking of the ASA. Baker City would need to work closely with the County to give enough time for the Commissioners to get another provider to pick up the service area that Baker City no longer serves. (A prudent time line could be the start of the next fiscal year, July 1, 2018)
- 3) Baker City could decline the SAFER Grant and make the geographic boundary of the City of Baker City our primary ASA. If we have at least four personnel in station, we would provide service to the outlying areas.

It should be stressed that the SAFER Grant has been the impetus for this discussion but the reality is that discussion of the way we provide EMS service was going to happen sooner rather than later. The citizens of Baker City are presently providing over one million dollars in general fund dollars as well as a public safety fee to fund our Fire Department efforts. We need to be able to justify our crews leaving the City limits and providing 24/7 service to County residents.

I hope that this analysis will give all parties the information that is needed to make informed decisions. If you have any questions, please contact me.

