FREQUENTLY ASKED QUESTIONS ABOUT MEASURE C
AMBULANCE SERVICE AND TAXES

1. **What has happened to the cost of providing ambulance service since the 2007 vote (Measure A)?**
   The voters approved a $16/unit tax increase in 2007. Most of the additional funds went to providing a 24/7 Basic Life Support ambulance (BLS) staffed with Emergency Medical Technicians (EMTs). This second ambulance serves as a back-up service when the primary Advance Life Support (Paramedic staffed) ambulance (ALS) is on mission. The second ambulance (BLS) is also often used as the first choice to transport a non-critical patient to the hospital which leaves the higher capability paramedic ambulance (ALS) on the coast in the event of more critical need.

   The funds also went to hire a third full time paramedic. By hiring a third full time paramedic, the District is assured of having a paramedic on every shift.

   Some funds also went to establish the position of 'Operations Manager' as a part time position. The District Administrator position was scaled back to a part time position.

   Finally, we have invested in training programs. Our staff must maintain their skills at the high level needed for this remote community. The training each receives is passed on to the rest of the crew. Training programs directly support the entire community – our staff works with the local fire departments to provide EMT training and mass casualty/disaster training. The most successful community program has been the community wide CPR training program. Since, 2008, four of our neighbors have been rescued by a local citizen administering CPR. In every case, the rescuer received their CPR training through our CLSD program.

2. **What evidence do we have that the District is cost efficient in the provision of ambulance service?**
   Unlike urban ambulance services which operate on a volume based model, the ambulance service in our District is a stand-by service – much like a fire department. We are fully staffed every day so that when a call comes in, we can send out a paramedic and EMT to answer your emergency call. The average call off the coast takes 6 hours. If the ALS ambulance (a paramedic & EMT) is out on a call or off the coast working a call then the BLS ambulance of two EMTs is there to fill the request for emergency service.

   Every one of our crew has at least one additional duty that in a high volume business would have to necessitate the hiring of someone else. These additional duties include:
   - Telecommunications & Radios
   - Computer programming and maintenance
   - Inventory management
   - Vehicle maintenance
   - Clinical quality assurance
   - Disaster preparedness
   - Fire department training & support
   - Community CPR training
   - AED training, support and training
   - Emergency vehicle operations training
   - Medical skills training

   Additionally, our administrative overhead is maintained at a minimum. We have no full time administrative staff – only three part time employees (District Administrator, Operations Manager, Business Manager).
   It should be noted that we <u>under-pay</u> our staff by 25-30% of comparable wages for personnel in the labor market that we compete in (Santa Rosa). We are fortunate to have dedicated staff who are committed to our

community. We face serious challenges in the next years when our senior paramedics begin to retire and we seek replacements in a highly competitive market.

In terms of our equipment, we have deferred replacing ambulances until they are near a safety risk. Our primary ambulance has 250K miles on its odometer. The back-up ambulance has even more.

Finally, Board member have approached commercial ambulance services to determine whether contracting for ambulance coverage would be cheaper than providing it ourselves. Not only was this immediately determined to not be possible but no firm was interested in even discussing the option.

3. **What steps has the District taken to contain costs?**

The Board of Directors is committed to prudent stewardship of the taxpayer's dollars….they are themselves tax payers. They understand the need for the highest quality ambulance for our remote community. They also must balance this with available funds. The Board of Directors has establish a standing Finance Committee whose duties include budget review. The directors take their job very seriously and scrutinize the budget with proverbial fine toothed comb for savings that will not negatively affect the quality of service.

We are a labor-driven organization…3/4 of our costs are directly related to man power. We have contained our costs by limiting cost of living adjustments (COLA). For the current fiscal year, a COLA of 3% was granted (the first in 3 years) in an attempt to maintain parity with the labor market. We have replaced some services contracts through a bidding process and have reduced costs significantly.

Finally, the Board Treasurer, District Administrator and Operations Manager regularly review the budget to look for opportunities to contain and/or reduce costs.

4. **How has the demand for ambulance service changed over the past several years?**

We measure ambulance service by the number of times the ambulance is sent out – the number of patients we examine and do not transport and the number of patients we transport. You might assume that these are entirely random occurrences throughout our community but the number of transports has been remarkably consistent over the last several years. For the last 5 years, the transports which generate income has average year has averaged about 375 per year.

5. **You seem to say that one operating principle is to be able to call out three ambulances simultaneously. Why is that the right model for the coast? How many times have 2 or 3 ambulances been dispatch concurrently?**

Our guiding principle is to use only the medical resources appropriate to the need and keep the higher level resources available for more serious occurrences.

Measure A in 2007 allowed for the addition of a second ambulance staffed by EMTs (BLS ambulance). The current combination of one full time ALS ambulance (a paramedic & an EMT) with an on-call BLS ambulance (2 EMTs) gives us the flexibility to use the appropriate emergency response referred to above in our guiding principle. What this means is that the ALS ambulance (a paramedic & an EMT) may initially be dispatched to an emergency, the patient may not require a paramedic to accompany them to the hospital and the BLS ambulance will be called to actually take the patient to the hospital. The effect of this is to not lose the ALS ambulance (the paramedic & EMT) from the coast for 6 hours. This happens several times every month.

A second scenario requiring both ambulances is when the ALS (paramedic & EMT) is committed to a serious incident and then a second incident occurs. This happens a handful of times each month. By having a BLS

ambulance on call, the patient doesn't need to wait for an ambulance from Guerneville or Elk. This happens several times every month.

6. **Cost breakdown: what part of the CLSD ambulance cost is 'fixed' and what part is 'variable…dependent on number of calls'?**

   Since we are a stand by service, very little of our operational costs are variable and dependent on number of transports. For the ALS ambulance (paramedic & EMT) which has a 24 hour crew awaiting dispatch, the variable costs are very small…only diesel fuel and medical supplies. For the BLS ambulance (2 EMTS on call) , the variable costs for the last fiscal year were estimated to a little over $39K for over 100 calls.

7. **What the principle sources of revenue and for each source what has happened to revenue over the past several years?**

   CLSD has two principle sources of revenue:
   - Property taxes ($882K)
     Parcel taxes are based on the degree and type of development on a given parcel. The higher the development, the higher the taxes. For example, a hotel or store is taxed higher than a residence. *It is important to note that with a fixed number of parcels in the District, the only way a parcel tax income increases is with development and that development has been at a standstill since 2008.*
   - Patient revenue ($565K)
     While the District bills patients for the full cost of providing service, we are collect only 37¢ on the dollar. The diminished economy has severely affected the ability of community members to have adequate private insurance. For patients on MediCal, we are paid only $118 for an average $3800 transport….for patients on MediCare, we are paid only $800/900. We have a very low level of 'bad debt'. Most of our neighbors work very hard to pay their bills. Overall, we collect only 37¢ on the dollar.

8. **Why isn't the CLSD run more like a business? No business would give out raises if their budget didn't allow for it. Look around the community….how many other businesses are giving pay raises? Sure, paramedics make more in Santa Rosa. So do gardeners/realtors/teachers/pharmacists, etc. We all could make more in the city but we choose to work here for less because of other values more important than money.**

   CLSD is not run like a "business". It is a public agency providing emergency medical services without regard to ability to pay. Because of the many uninsured/underinsured patients that we serve (and those reimbursement rates are set by government legislation) we collect only about 37¢ for every dollar billed. No business could stay afloat with that financial model.

   CLSD gives out pay raises based on the Consumer Price Index and the labor market in which we compete. The most recent cost of living adjustment was the first in three years. Our paramedics could make more working as EMTS in Santa Rosa. All three of our current paramedics are not far from retirement age. The District will have a very difficult time replacing them. We try to stay on parity with the rest of the professional community for this reason. We ask our community to pay for this along with other cost increases through periodic tax increases. If our community wants this level of service, you will support a tax increase.

9. **How come I don't get paid to be on call as a volunteer fireman (first responder EMT) buy my neighbor gets paid to be on call as a back-up EMT by CLSD. And then CLSD wants to raise my taxes so I can pay for his on-call time?**

   Volunteer firemen are 'volunteers'. CLSD staff are paid professionals. Volunteer firemen and EMTs do not have to answer the call when their pager goes off…indeed, many times they cannot because they are otherwise

occupied or maybe they just a beer to watch the football game. That's what makes them 'volunteers'. Paid professionals are paid because they are paid to be on duty….and obligated to responds within a certain period of time.

CLSD did not raise your taxes. Our community voted to raises your taxes to pay for the on-call time. That was the essence and core focus of Measure A in 2007: to have a fully staffed BLS second ambulance on duty every day.

Prior to Measure A in 2007, CLSD EMTs were on call on a strictly 'volunteer' basis being only paid if they were called on a mission. The calendar was increasingly difficult to fill (particularly on weekends). A secondary effect of this was the diminishing 'hands-on' experiences that are so important in emergency medical care. Fewer days were scheduled and patient contacts became rare. By implementing a paid on-call system after the passage of Measure A, we now have a second-out BLS ambulance every day with a fully trained and highly motivated staff of professional EMTs respected by their community and professional peers.

FREQUENTLY ASKED QUESTIONS ABOUT THE PROPOSED SOLUTION

1. Why is the proposed solution the right one?

The proposed solution of a $12/per unit parcel tax increase will maintain the current level of emergency services without sacrificing quality of care.

2. How will this solution incentivize efficiency?

The Board of Directors is committed to keeping tax rates as low as possible without sacrificing quality or quantity of service. The annual budget, quarterly reviews of this budget and constant monitoring by the Treasurer, the District Administrator and Operations Manager ensure that no funds are spent without demonstrated need.

3. What alternatives to this proposal were considered?

The alternatives considered remain under consideration

- Eliminate staff
- Eliminate community training programs
- Eliminate the Medical Director position
- Continue deferred replacement of aging ambulances and equipment
- Staff pay reductions
- Reduce availability of the BLS on-call ambulance to only 2/3 days a week

These reductions will all have an immediate and continuing impact on the quality of service available to our community.

4. Lodging rooms bring people to the coast (people who need ambulances) why are lodges exempt from this increased parcel tax?

Lodges are not exempt for the parcels. They currently pay the highest rate of 20 units ($640 a year). If the tax increases are supported by the voters, their annual tax will be $880 per year.