

Fremont County has been struggling financially with ground ambulance services for some time now. In this current fiscal year, the County is subsidizing the service \$680,000, which is not sustainable. Changes enacted by Obama Care, payor re-imburement, the cost of healthcare escalating in general, and payor mix are to name a few of the challenges and changes to ground ambulance.

In May 2015 there were 4 town hall meetings in Shoshoni, Riverton, Lander, and Dubois. The challenges to the service were presented to the public with different options offered. The overwhelming majority at all the meetings stated that they were not in favor of raising taxes. With that in mind, few options are left.

A petition was started to collect signatures to appear on the election ballot in November 2015 to have the taxpayers decide if they wanted to tax themselves with a property tax. In June 2015 the County Commission asked for proposals from private entities to run the ground ambulance. Proposals were received from SEMSA, Classic Lifeguard, and Guardian Air. These were taken under advisement so that they could all be reviewed. In mid July 2015, the property tax petition did not materialize. The Commission then decided to engage with Guardian Air to see if they could come to an agreement. Guardian has a proven track record of providing ground ambulance service in New Mexico and Alaska, and the Commission felt confident in discussing Fremont County's needs with them. Many months passed until an agreement in principal was reached, and on December 15, 2015 that agreement was made public for the citizens' review. While this proposed contract is not perfect, it has given us and the citizens a framework to discuss where to go from here. A public meeting was held on January 12, 2016 to accept any written or oral comments. Below are the summarized comments with answers.

Q. What effect will this agreement have on the current air services?

A. None. This proposed contract is only about ground service, not air.

Q After 5 years, what influence will the County have ~~in~~ with regards to rates charged?

A. After 5 years, IF Guardian and the County agree to sell all the assets, then the service would be privatized. The County would have no control over a private business.

Q. Why is the County acting counter to the results of the sustainability study?

A. The study's results only focused on the use of taxpayer funding. This is unsustainable, as the County is subsidizing the service \$680,000 this year, and the costs will likely increase. If the taxpayers did pass a tax in November 2016, the earliest that any revenue would be collected would be the fall of 2017 for a sales tax, and 2018 for a mill levy.

Q. If the ambulance is called by police, or other entities, but no treatment is needed, will they be charged for the call?

A. No. The procedures and processes in place will not change.

Q. I am not in favor of the air cards. How would you determine who is a County resident?

A. The cards and charge associated with this are based on the census. Utility bills and other means could be used to determine residency. This could also be taken out of the contract.

Q. Can volunteers still provide first responder services?

A. Yes. Guardian will be providing enhanced training to not only the paid staff, but the County volunteers as well.

Q. What is Guardian's obligation to respond to calls?

A. It would be no different than it is today. Any 911 call must be responded to by law, and Guardian will be obligated to follow State law under their license granted to them by the State of Wyoming. The same protocols and procedures in place will remain.

Q. This contract and the proposed rates will cost more for the citizens. Why?

A. Rates have risen dramatically in the last couple of years. For example, in 2013 if an ALS 2 service was provided, the cost was \$727. Today that same service is \$1800. A BLS service in 2013 was \$275. Today it is \$700. Raising rates has not solved the financial issues when the payor mix is as drastic as it is in Fremont County. In the contract Guardian is limited to raising rates by 3-5% yearly. If Guardian thinks they need to raise it even more, they must discuss this with the Commissioners and have it approved or denied.

Q. Why is there a dispatch subsidy? How will the ground ambulance operate with Fire?

A. The dispatch subsidy was part of the negotiations, and the subsidized portion, about \$45,000 a year, is proposed to come from the lease payment of \$250,000/yr. There will be no difference in protocols and procedures as is operating currently. Currently the County is subsidizing the ground service \$680,000 per year. This part of the contract can also be re-negotiated.

Q. What authority does the County Commission have to negotiate dispatch fees?

A. As the Commission sets the final budget for the County, the Commission does have some influence in this area. Like the Ambulance fund, Dispatch is to be run as an enterprise fund deriving its revenues from user fees.

Q. There is no contingency after 5 years. What is the plan?

A. At any time during the contract, both sides have the option to terminate the contract. If, after year 5, Guardian decides, to purchase FCEMS, they would have the option to purchase any and all assets, and totally privatize the service at that time. If either the County or Guardian choose not to move forward, then the County would again be in charge of the service. The County would run the ground service as it is currently operated.

Q. It appears that the contract in its current form monopolizes the service.

A. As it is currently written, this may be correct. This part of the contract will have to be redone to correct this issue.

Q. It appears that there is no plan in place to replace equipment. How does Guardian plan to sustain ground ambulance?

A. The County can use the proceeds from the lease payment to replace the equipment as needed. Guardian also has the option to purchase their own equipment. The County has not decided at this time if it will use any of the money from the contract to purchase and/or replace equipment.

Here are some of the options available in no particular order:

1. Sell the assets and inventory immediately and privatize.
2. Contract the service out for a short or long term.
3. Mill levy
4. Sales tax

Here are some of the benefits and drawbacks for each option.

Sell the assets and inventory immediately and privatize.

This would relieve the County general fund from any further subsidizing. By selling immediately, there would be no assurance that the service would be available in the short or long term.

Contract the service out for a short or long term.

This is what is being proposed currently. It lessens the burden of subsidizing the service while still having the ability to monitor and have a say in the service.

Mill Levy.

This must be on the ballot for the people to vote and decide to raise their property taxes. If this passes in November 2016, the money collected will not be available and ready for distribution until the first quarter of 2018 at the earliest. The money raised will not be enough to make this a “free” service. User fees will still need to be charged and collected.

Current figures based on upcoming assessed values tells us that the board would need a 2 mill levy IN ADDITION to the user fees to meet the current \$3.2 million budget. That budget was cut from its original amount. A reminder about the rural health care district:-

1) It will be run by a 5 member uncompensated board who are elected-- not the county commissioners.

A) How does the Rural Health District get established?

W.S. 22-29-105 (a). A petition to form a special district shall be signed by not less than twenty-five percent (25%) of the landowners owning at least twenty-five percent (25%) of the assessed valuation of property within **the area proposed to be established as a special district (this means about 3800 signatures)** in one (1) or more counties or any part of a county, as shown by the assessment records of the property in said area.

If the district formation is passed, the district can receive up to 2 mills without an election. 2 mills as calculated by the Assessor on the projected assessed valuation for FY16-17, the amount of money for 2 mills would be \$1,294,000. Added to user fees projected at \$2,400,000, the budget of the EMS system would be \$3,694,000. This year’s budget is \$3.2 million which was cut by about \$600,000.

Sales tax.

This must be on the ballot for the people to vote and decide to raise their sales taxes. If this passes in November 2016, the money collected will not be available until approximately the third quarter of the year 2017. The money raised will not be enough to make this a “free” service. User fees will still need to be charged and collected.

A general sales tax that is listed on the ballot stating it will all be used for ambulance service will bring on the following scenario:-

- 1) First off, to get it on the ballot—need to have the Commissioners and at least 2/3 of the Mayors of the cities and towns present a resolution to put it on the ballot OR a petition has to be circulated by the citizens to get it on the ballot.
- 2) If circulating a petition, a petitioner must gather 5% of the voters voting in the last General Election. That would be 2014 and the number of voters was 12,526 making the **number of qualified signatures needed at 626.**

- 3) If the measure is passed, the State of Wyoming shall distribute the sales tax among the cities and the county. Therefore, each city and town would have to sign some kind of contract or MOU to agree to give up their distribution of the money. A 1% increase may bring \$6.3-\$6.5 million. Sales tax is reportedly down 16% this year.

Notes: If passed, it would be back on the General ballot in 4 years. If it fails, there would have to be a contingency plan on how to move forward with ambulance services. If it is defeated at the first election, it cannot be back on the ballot for 11 months.

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You can also find this information on the Fremont County website at www.fremontcountywy.org

For questions, please call Commissioner Travis Becker at 851-0302 or Commissioner Larry Allen at 315-3322.