

**Town of Charlton
Saratoga County**

Presentation by Galway Emergency Medical Services

June 11, 2018

Present: Councilman Grasso, Councilwoman Heritage, Councilman Ranaletto, Councilman Robbins, Supervisor Grattidge, Town Clerk Brenda Mills.

Attorney Van Vranken joined the presentation at 7:25 p.m.

Supervisor Grattidge said that tonight members from GEMS are here to inform the Board of their financial challenges.

Mike Jazwinski, Corp Captain, said that there have been many budget concerns over the past few years. They are no longer just a transport service, but now provide Advanced Life Support (ALS) services. The ambulances are staffed by Paramedics and EMTs. They used to be staffed by volunteers, but most of the staff are paid now.

GEMS President, Beth Ruman said that they service 6,000 residents and their territory is over 100 square miles. It is important that they offer the Advanced Life Support services because the nearest hospital is at least 20-30 minutes away.

Brian Merchant, Head of Finance said that their current pay scale is below the going market rate, so it makes it hard to find staff, and they realize that they may need to increase the pay scale. Some of their challenges include inadequate medicare/medicaide reimbursements, uncollected billing, and lack of volunteers.

The following are excerpts from the presentation given to the Board:

Galway Emergency Medical Services

Budget Presentation

Town of Charlton

June 11, 2018

History

- Serving Galway and adjoining communities for 50+ years!
- Serving a combined population of over 6,000 residents
- Have Advanced Life Support Paramedic on all calls
- Provide the highest level of prehospital patient care 24/7
- Responding to 400+ calls yearly
- Achieved full Advanced Life Support (ALS) status in 2004

Current Challenges

- Reduction of volunteer staffing
- Inadequate hourly rates to recruit/maintain full staffing
- Increased building, equipment and insurance cost
- Call volume insufficient for independent operation
- Medicaid and Medicare reimbursement is inadequate
- Outstanding/uncollected receivables

Current Challenges - Medicaid and Medicare

- Medicaid claims reimbursement rates are between \$130 to \$190 per claim. Given that, we only recoup 15% of any claim and can't bill for the balance.
- Medicare claims reimburse 30% of what is billed and we can only bill 20% of the balance as a copay, very often not seeing payment of that copay.
- Current call volume need to double to provide independent operation of GEMS.

45% of all calls are Medicaid and Medicare claims!

Budgeting

- Have always presented a budget that reflects full staffing
- Voluntary services have helped reduce past actual payroll/income needs
- Expenses have been consistent year to year
- Fortunate to own building and do not carry mortgage
- Have very little debt 27K (ambulance loan)

Medicaid/Medicare Analysis

Contractual Adjustments:

- Medicaid pays \$130 or ALS \$191 (20%) of claim - we can't not bill for balance
- Medicaid Mileage - Saratoga County can't bill for first 10 miles of transport
- Medicaid only allows \$2.50 per Mile (10% of billing)
- Medicare pays only 34% of claim and only allows collection of 20% of bill balance
- Medicare only allows \$7.45 per Mile (32% of billing)

Example of Current Billing Charges

Billing Type	GEMS Rate	Medicaid Rates	Amount Paid	Medicare Rates	Amount Paid
BLS Emergency Call	\$715.00	\$130.00	18%	\$357.00	50%
ALS Level 1 Emergency Call	\$880.00	\$191.00	22%	\$424.00	48%
Mileage per Mile	\$23.20	\$2.50		\$7.45	

Percentage Medicaid actually pays: 20% Medicare pays: 49%

2016 Summary of Income Status						
Primary Carrier Type	2016 Galway/ N. Charlton Billing			2016 Providence Billing		
	Claims	Revenue		Claims	Revenue	
Gross Total Service Charges	212	\$241,628.00	100%	83	\$95,018.00	100%
Contractual Adjustments		-\$105,396.00	44%		-\$40,892.00	43%
Net Billable Charges		\$136,232.00	56%		\$54,126.00	57%
Medicare	61	\$24,522.00	18%	22	\$8,506.00	16%
Medicaid	24	\$6,541.00	5%	18	\$4,406.00	8%
Government	0	\$189.00				
Worker's Compensation	1	\$331.00				
Property, Casualty & Auto	13	\$12,385.00				
Other/Private	84	\$52,376.00	38%	21	\$17,404.00	32%
Patient (Self Pay & CoPay)	29	\$21,536.00	16%	22	\$10,451.00	19%
Uncollected and Closed	207	\$13,962.00	10%	79	\$9,853.00	18%
Open Accounts Outstanding	5	\$4,390.00	3%	4	\$3,506.00	6%
Uncollected/Outstanding Totals of Net Billable:		\$18,352.00	13%		\$13,359.00	25%
Uncollected/Outstanding Totals of Net Billable 2016:					19%	

Personnel Budgeting -One Crew 24/7

GEMS Rate

	Hourly Rate	Daily Rate	Yearly Rate
EMT	\$13.00	\$312.00	\$113,880.00
Paramedic	\$19.00	\$456.00	\$166,440.00
		<u>\$768.00</u>	<u>\$280,320.00</u>
Administration			\$40,000.00
			<u>\$32,032.00</u>
		TOTAL:	\$352,352.00

REVENUE & EXPENSE 2018 BUDGET SUMMARY

Revenue	2017 Actual	2018 Budget	2017 - 2018 Difference
CONTRACTS			
Town of Galway	\$68,680.00	\$80,000.00	\$11,320.00
Village of Galway	\$6,024.00	\$5,275.00	-\$749.00
Town of Charlton	\$18,727.00	\$25,000.00	\$6,273.00
Town of Providence	\$20,288.00	\$33,500.00	\$13,212.00
CONTRACTS TOTALS	\$113,719.00	\$143,775.00	\$30,056.00
CONTRIBUTIONS			
FUND DRIVES			
Town of Galway/Charlton	\$37,468.00		
Town of Providence	\$5,940.00		
FUND DRIVES TOTALS	\$43,408.00	\$40,000.00	-\$3,408.00
FUND RAISERS	\$1,233.00	\$2,000.00	
AMBULANCE CALLS	\$260.00	\$200.00	
MEMORIALS	\$1,720.00	\$1,250.00	
OTHER	\$180.00	\$1,500.00	
TOTALS	\$3,393.00	\$4,950.00	\$1,557.00
MEDEX REIMBURSEMENT			
Town of Galway/Charlton	\$125,559.00		
Town of Providence	\$45,828.00		
MEDEX TOTALS	\$171,387.00	\$170,000.00	-\$1,387.00
INTEREST/DIVIDENDS	\$56.00	\$50.00	-\$6.00
REVENUE TOTALS	\$331,963.00	\$358,775.00	\$26,812.00

Expense	2017 Actual	2018 Budget	2017 - 2018 Difference
PAYROLL	\$235,771.00	\$370,000.00	\$134,229.00
MEDICAL DIRECTOR		\$1,400.00	\$1,400.00
INSURANCE - LIABILITY AND BUILD	\$12,513.00	\$13,700.00	\$1,187.00
OUTSIDE SERVICES	\$480.00		-\$480.00
OPERATING EXPENSE	\$14,075.00	\$20,080.00	\$6,005.00
MAINTENANCE - BUILDING	\$7,363.00	\$10,675.00	\$3,312.00
MAINTENANCE - VEHICLES	\$7,870.00	\$13,100.00	\$5,230.00
VEHICLE SUPPLIES	\$19,732.00	\$25,387.00	\$5,655.00
EQUIPMENT	\$730.00	\$9,534.00	\$8,804.00
COMMUNICATIONS	\$138.00	\$1,400.00	\$1,262.00
FUND DRIVE EXPENSES	\$2,594.00	\$2,500.00	-\$94.00
PUBLIC RELATIONS	\$3,176.00	\$5,150.00	\$1,974.00
TRAINING/EDUCATION	\$3,712.00	\$8,250.00	\$4,538.00
BILLING FEES	\$8,907.00	\$10,000.00	\$1,093.00
TRAVEL FEES	\$896.00		-\$896.00
AMBULANCE LOAN	\$12,441.00	\$12,500.00	\$59.00
LOAN INTEREST	\$1,390.00		-\$1,390.00
DUES, FEES AND MISC.	\$547.00	\$435.00	-\$112.00
LEGAL FEES	\$0.00	\$1,475.00	\$1,475.00
EXPENSES TOTALS	\$332,335.00	\$505,586.00	
CASH/FLOW +/-	-\$372.00	-\$146,811.00	

Current Challenges

For GEMS to be independently funded ambulance call volume would need to be increased by approximately 350 calls, **almost double the current call volume** (if we do not make adjustments and current community contract levels stay the same).

Possible Solutions

- Increase billing rates
- Improve collection of outstanding billing
- Increase fundraising/fund drives
- Increase community contracts (tax districts?)
- Do Nothing
- Other

Possible Solutions

Reduce 150K Revenue Gap:

- Sustain volunteer staffing- 20-30K
- New billing rates- 10% - potential 15K
- Multiple billing notices 5% - 7K
- Increase fundraising- 3K
- Increase community contracts- 100K

Necessary Contracts Equalized to GEMS 2018 Budget				
District	Current Contract	Average Per District	Equalized Contract	Difference
Town of Galway	\$80,000.00	206	\$124,667.74	-\$44,667.74
Village of Galway	\$3,775.00	15	\$9,077.75	-\$5,302.75
Town of Charlton	\$25,000.00	75	\$45,590.47	-\$20,590.47
Town of Providence	\$33,500.00	104	\$62,939.05	-\$29,439.05
	\$142,275.00	400	\$242,275.00	-\$100,000.00
Shortfall:	\$100,000.00			

Question & answer time

Councilman Ranaletto asked if consolidation would be helpful, such as working with Community Ambulance. Ms. Ruman said that Community is not interested in merging with them.

Councilman Grasso asked if their plan is to have a taxing district in all three Towns that they service. Providence has a certificate of need. Supervisor Grattidge said that all three Town Supervisors are in favor of a taxing district, and agree it is needed. His thought is to make it a Town District, which would incorporate a Galway District and a Ballston District.

Councilman Grasso said that he is thankful for the services that they provide.

Councilman Ranaletto noted the increase in expenses for 2018, and it is because of increased payroll costs.

Norm McFarland, resident asked about the uncollected funds and if they use a collection agency. He said that it is not fair to ask residents to pay a tax if they are not trying hard to collect on invoices. He also asked if they have a plan to put money in reserves.

Paul St. John, resident, asked if the Ballston Ambulance is experiencing the same problems. YES. He asked if the Fire Company could start their own ambulance.

The presentation ended at 7:55 p.m.

Respectfully submitted,

Brenda Mills
Town Clerk