

## **St. George Ambulance Public Hearing**

### **Town Office and via Zoom**

**March 9, 2023**

### **Minutes**

The Select Board Ambulance Public Hearing was called to order at 7:00 p.m. Present were Richard Bates (Chair), Randy Elwell, Steve Cartwright, Van Thompson, Rick Erb, Jane Conrad, George Weber, Michael B. Jordan, Bonnie Percival, Dave Percival, Mark Tracy, Pieta Van Vuuren, Ann Matlack, Patricia Ohler, Jeff Ohler, Skip Bracy, Jonathan Coggeshall, Mary K. Hewlett, Van Laliberte, Pat Shaw, John Meyer, Loreen Meyer, Maggie Milran, Kenneth Green, Virginia Vaitones, Scott Vaitones, Wendy Carr, Arline Slote Davis, Bonnie Suzanne Kane, John E. Dennen (Jack), Tom Gorrill, Barbara Gorrill, Tim Polky, Kevin LeCaptain, Patricia Rackaff, Lorraine, Kerwin, Bruce Beyann Lowry, Noah Carlson, Mike Smith, Chris Leavitt, Dianne Oelberger, and Ken Oelberger.

Via Zoom: Adele Welch, Sandra Roak, Judy Smith, Susan Bates, Ed Cady, Sascha Sandberg, Steve Betts, Betsy Johnson, Ben Caron, Amy Drinkwater, and Ryan Cline.

### **Quorum**

A quorum was present.

### **Conflict of Interest:**

There were no conflicts of interest.

### **Erb**

It is seven o'clock. I'm Rick Erb, Town Manager. Thank you for coming tonight. We're going to lead off with the public hearing and then go directly to the special town meeting. Under perhaps more normal circumstances, we would have the public hearing one night and the special town meeting on another night, but this is done quite commonly. I will help lead the public hearing right now. Then Van Thompson will take over as moderator when we go into special town meeting. There is a sign-up sheet that went around. If you have not signed it, I'll make sure that it's near the exit so you can sign on your

way out. The public hearing will be an opportunity to talk about the very same items that will be taken up at the special town meeting. There are two proposed warrant articles and they both address the same issue basically. Ambulance services across the state are tremendously challenged under financial duress. We've had contact with other towns, other ambulance services, and they all basically are saying the same thing, costs are out of control. Much of it is driven by staffing. Our own ambulance has its own financial struggles. There's no question about it. It's been difficult for a few years. You might remember that there was an increased level of town support in the last town meeting but frankly, it's not enough or too little too late, perhaps. Where we appropriated \$230,000 for the association, which is a nonprofit that operates the ambulance here, we're now down to \$25,000 in that account, and we have to make that last until June 30. It's very likely that we will not make it, so the first article that we're going to take up tonight is to appropriate at \$87,500 out of the fund balance, sometimes known as surplus, and that will be enough to get us through the rest of this fiscal year. The way it works with the ambulance is that this money is parceled out and that's what we will continue to do through the rest of this fiscal year. If not all of it is needed, then it will stay right where it is, but up to \$87,500 could and would be transferred to the ambulance. The other article authorizes the Select Board to enter into an agreement with the Fire and Ambulance Association to transfer assets to the town to facilitate the ambulance becoming a town department. I've talked to quite a few people in emergency management and medical services over the last few weeks and it's obvious that they've all been hit hard by the same issues, and this includes municipal departments and private ambulance companies. I think perhaps the nonprofit association type of situation is hit the hardest in many ways. I think they have fewer resources to work with and the fact is many of them are sort of folding up at this point. In most cases they would be absorbed as a department of the town, although some towns could choose to contract with a private ambulance company. What we're talking about here is what we've seen in some other communities and that's where it becomes a department of the town. I'm sure there probably are a lot of people in St. George who think it already is a department of the town. We appropriate money for the association each year, and the ambulance is marked with St George on it. It has been operated by a very dedicated group of volunteers who are the association, and the change is that it would become like other departments in St. George and that's what this would call for. There was a legislative study that came out in January and one of the things that they noted was that the cost per call is higher for small service areas such as this. They specifically referred to those that are 300 calls per year as being the most expensive on a per call basis. We're probably a little smaller than that actually, but we're in that range, and that is one of the challenges that we have. I think it's safe to say that going forward, any way you look at this, more money is going to need to be appropriated for the ambulance service if it is going to be a continuing operation. If the town is going to take on by far the largest share of financial support, should this become a department of the town and I think that the Select Board and I agree that it should. I believe the Ambulance Association is also of similar mind. Tonight, the second vote after we appropriate some money to keep the ambulance functioning this year, is to allow us to proceed with the transfer of assets which will set the stage for what we hope will be as a seamless transition from being an association service to a town department. It's the same people. It's the same leadership that is already existing in our emergency medical services, but it would be a department of the town. There has been an agreement that has been drafted but not totally finished yet that was put together by several of us from town government and from the Association. This will authorize the Select Board to complete that work and to sign for it. We expect it will be somewhere around June 30, 2023, or possibly soon after. What this does is it puts it in the hands of the Select Board to work out the nuts and bolts of this. I do have drafts, if anyone is interested in seeing it. We can answer any questions that you have. That's pretty much what I had to say but I also have Select Board members here and people from the Association, and various past and

present town officials. If people have questions, this is the public hearing. I think we can work through a lot of the questions now. And if there still are questions when we get into the special town meeting part of the evening, they can continue on there as well. That's basically what I have to say, so we will see if others have any questions or comments.

**Jane Conrad**

Can you explain the timing. We'll be voting on this transfer of assets tonight even though the department issue isn't voted on until the eighth.

**Erb**

This is being done in stages. This will authorize the Select Board to accept the assets and liabilities of the association. We will then at town meeting, approve a budget for the ambulance service as a town department and that's the order it will be done in.

**Jane Conrad**

The assets would be transferred on July 1st, or would they be transferred ahead?

**Erb**

On July 1st I believe. Would the Fire Department continue as a separate entity? There's a Firefighters Association now, but it actually is a department of the town. In some ways, it's going to be a similar situation. There will still be a Fire and Ambulance Association but there also will be a department, with a department head that is appointed by the Town Manager and the Select Board. The payroll will come through the Town Office, but there will still be a role for the association. For the ambulance, it may be for education, or it may be for fundraising; it will be generally to promote the well-being of the ambulance service.

**Randy Elwell**

One of the biggest things that happened, as it did with a lot of nonprofits was COVID. We couldn't do our big fundraisers for many years, and it hurt us and that was basically the start of the downfall on the money side because we couldn't have lobster dinners and so on.

**Van Thompson**

The problem we have when we're talking about perhaps going to a private ambulance service for the town is the problem with response time. Either they wouldn't be here, or if we had them here it would be tremendously expensive on a contract basis. They cover a more global area, and so the response times would be very large. Our concern is that problem among others.

**Patty\_\_\_\_\_**

So, if we have our service here, and have one ambulance, and they go to a house and then get another call, we still don't have an ambulance or a paramedic, and would have to get it from another town anyhow, correct?

**Erb**

Mutual Aid,

**Randy Elwell**

That's no different than what it is right now.

**Patty \_\_\_\_\_**

We would have to get a paramedic out of Rockland or somewhere else.

**Randy Elwell**

And that goes on now Patty.

**Van Thompson**

That's where we are now.

**Randy Elwell**

That's the way it has always been.

**Randy Elwell**

Right, and all that will stay the same. Another thing is that under the town, the ambulance service insurance is cheaper. In that aspect, a lot of things are cheaper going through the town than as an association, which is sad, but that's life, I guess. For the service itself, we're still going to have the community medicine. We're still going to have the same service that we have now with our paramedics. That won't change. It would just fall under the town when it comes to personnel and supplies. The association is still going to stay a nonprofit. The role will change a little bit. Instead of raising the money to run the ambulance, we'll be raising money for our burn building. If the ambulance needs some new equipment, like a zol, we can raise money for that. You see a lot of towns that have associations do that, such as South Thompson. (Inaudible) from Pacific Reason will have public suppers to help raise money to help the town or help the ambulance get the equipment or training that they need. That aspect of the association is going to stay the same, it's just that we're not going to run the ambulance itself.

**Erb**

One thing that we have seen in other communities is the price for operating a single ambulance has grown tremendously over the years. I spoke with another provider, I think a private ambulance, and their figures typically are \$750,000 per year to run a single ambulance and of course we are staffed 24 hours a day. That is a high level of service that people are used to and have come to expect Our intention is to continue that level of service. We believe that's what people want and that's what they will support and certainly our geography is challenging here. The distance from one end of St. George to another is unusual for Maine communities. If you've seen one of the maps of Maine, it's all little squares, and then you look at the coastline, and particularly here, the distance is significantly longer than most other places. It sort of defies regionalization the way you would normally expect it to work. Those are some of the things that we're running up against. We will see this cost on our tax bills; there's just no question about that, but we believe that this is what people in town want and will support. Any comments people have on that are certainly welcome, but I don't want people to think that this will be inexpensive, nor do I think that it would be as successful with fundraising once it becomes a department of the town as compared to when it was independent. I suspect it will become more and more tax dependent and less contribution dependent. I need to put that out there.

**Questions from Public**

What sort of an impact would adding this department to town government have? What sort of an increase in government or town spending would there be?

**Erb**

We're looking at somewhere in the area of \$600,000 per year. As most of you are aware, the ambulance does bill for its services, but the amount of revenue that comes in is estimated at \$129,000 for the upcoming budget. We're talking about costs that are well in excess of \$700,000 and that's the income, so it has to be made up somewhere. What we've seen in the operation of the ambulance for the last few years is it has steadily lost money. They've had to dig into reserves in order to stay in operation, so we know we are taking on an expensive service. Anywhere that you go, ambulances are expensive to operate, and we're taking on that cost as part of town government.

**Questions from Public**

Have you done an analysis of the costing for the services or the adjustments in that area, such as billing fees for the services?

**Erb**

I have not at this point. In St. George and in other communities, a large number of the calls are paid for through Medicare and we have no say in what Medicare will pay. Some of it is Medicaid. Most of it is Medicare. I would defer to any others from the Ambulance Association that are more familiar with what the breakdown is. Amy, you and I have talked before about what the breakdown is on how much of the revenue is Medicare and how much is private insurance.

**Amy Drinkwater**

Medicare is about 65% of what we bring in. The rest is Blue Cross, Signa and Medicaid. Between 65% and 70% is what we bill as Medicaid.

**Erb**

So, if you take Medicare and Medicaid, that's three quarters that you have no say in what the payment will be, correct?

**Amy Drinkwater**

Correct. There is a formula that they use to pay, and I think the Medicare portion in 2023 is \$386.46

**Hewlett**

Per run reimbursement, which would not cover the run?

**Amy Drinkwater**

Correct.

**Jane Conrad**

For the process of budgeting, you said at a prior Select Board Meeting something about a ballpark of how much more it would cost a household in tax dollars to carry this. Do you have an estimate of that now?

**Erb**

I can get it for you. I'm going to have to recalculate it. Thank you.

**Jane Conrad**

Or perhaps it hasn't changed.

**Erb**

Okay, tell me what it said before.

**Jane Conrad**

If a house was valued at \$400,000, that household would pay \$150 more a year in taxes. I was just wondering if you had an updated number so people have an idea, but I know you're working on the numbers now.

**Bates**

\$400,000 is above the median price of a house right now. The actual median across the town is about \$280,000. The numbers you are thinking of I would guess are more like \$200 for median value homes. That's an estimate and we should not go in tonight with that.

**Van Thompson**

I think what we're dealing with was not the matter of the ambulance service. It's all of the factors that have gone into the budget. That number was projected. There are other things that have occurred that have impacted us, particularly reimbursements from the county and our overall assessment. There are a number of things that have changed that have been negatively impacting the budget. It's a combination of factors. It's not just the incorporation of the ambulance service.

**Erb**

I'd like to recalculate that. I don't have confidence in the number. Any other comments or questions people have?

A motion was made by Elwell, seconded by Cartwright, to adjourn the public hearing, and by a unanimous vote, the motion carried and the meeting adjourned at 7:21 p.m.

Respectfully submitted,

Tammy Taylor  
Recording Secretary  
Town of St. George, Maine