

# TOWN OF WESTFORD AMBULANCE ENTERPRISE

Report to Special Town Meeting

October 15, 2012

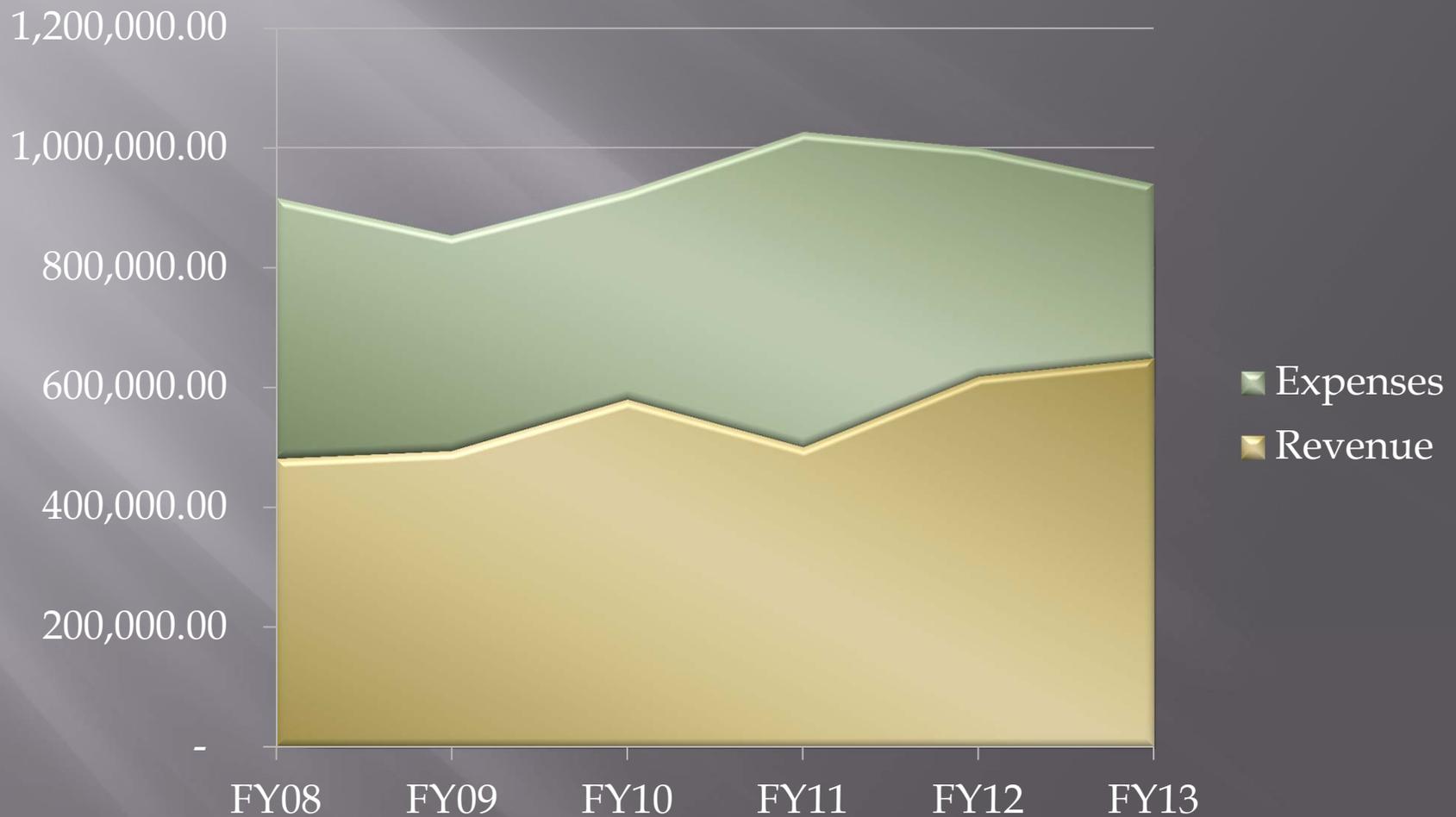
# Ambulance Enterprise History

- ▣ Ambulance enterprise fund approved at 5-11-02 Town Meeting
  - Purpose: to collect health insurance payments for ambulance service to offset the general fund appropriation
- ▣ Advanced Life Support (ALS) established in 2010
  - Improved level of service from EMT to Paramedic
    - ▣ Average response time for paramedic level reduced from 14-19 mins from private ambulance co's to less than 5 mins
    - ▣ Certain Firefighters receive Paramedics-level training
    - ▣ All new-hires are already trained at Paramedic level

# Ambulance Enterprise FY13 Operating Budget

- ▣ Fiscal Year 2013 Budget is \$940,597
  - \$642,467 personal services
  - \$128,684 expenses
  - \$169,446 in direct & indirect expenses
    - ▣ \$104,692 for health insurance costs, Medicare & retirement
    - ▣ \$64,753 charged by town for services provided
      - Inter-departmental support, payroll, general insurance, etc.
  - \$594,383 estimated revenue of appropriated as funding source
  - \$346,214 general fund subsidy
  - \$41.34 annual cost to residents (per median household)

# FY08 - FY13 Ambulance Enterprise Revenue & Expenditures



# Ambulance Enterprise Fixed vs. Variable Costs

		Scenario 1	Scenario 2	Scenario 3
	FY13 Budget	Fixed Costs – Reduce by 1 FF/EMT	Fixed Costs – Reduce by 5 FF/EMTs	Fixed Costs – Reduce by 9 FF/EMT
Revenue	594,383	0	0	0
Expenses	968,868	740,349	407,156	77,867
Variance	(374,485)	(740,349)	(407,156)	(77,867)
Savings/(Loss)		(365,864)	(32,671)	296,618

# Ambulance Enterprise Fixed vs. Variable Costs

In Fiscal Year 2013, the Ambulance Enterprise is subsidizing the Fire Department by \$365,864

# Policy Decisions

- ▣ Two ways to increase the revenue:
  - Raise ambulance rates - currently at the Federal Medicare rate +200%
  - Be diligent in collecting ambulance revenue from residents
    - ▣ Will require using a collection agency

# Internal & External Uncertainties

- ▣ Internal
  - Collective bargaining contracts – wages, stipends
  - Town health insurance rates
  - Replacement of equipment
- ▣ External
  - Number of ambulance calls
  - Federal Medicare reimbursement rates
  - Health insurance reimbursement rates
  - Fuel, supplies and other expenses

# Summary

- ❑ Cannot predict when or if the Ambulance Enterprise will become self-supporting
- ❑ The only non-subsidized town department is the Water Enterprise
- ❑ Vital Service to the Town
  - Responded to 1,037 billable calls in Fiscal Year 2012
  - Lives are saved because of our delivery of Paramedic-level service and our significantly decreased response time from private ALS