



Carlton Fire & Ambulance Financial Support Request

- ◆ Carlton Fire & Ambulance (CFA) is requesting financial support for ambulance operations. This support is necessary to ensure the reliability of ambulance responses to all requests for service within the Primary Service Area.
- ◆ CFA currently utilizes a paid-on-call staffing model. Ambulance staff do not consider working for CFA as their primary employment. Most work on the ambulance as a second job or as a part-time job while attending college.
- ◆ This staffing model has become outdated and is in need of change. The City of Carlton has committed to taking the first step toward a new staffing model by working toward the hiring of a full-time Ambulance Manager and a full-time EMT. The addition of full-time employees will relieve the staffing strain and increase the reliability of the services response capabilities.
- ◆ City of Carlton is asking each of the municipalities served to provide funding necessary to keep the ambulance service solvent and operating at a high capacity today and into the future. We ask that you commit to working with us to identify an equitable funding mechanism to ensure the ambulance continues to serve the citizens and visitors to our communities.

Carlton Fire & Ambulance (Ambulance Division)

- ◆ Owned and operated by the City of Carlton
- ◆ Licensed as a Basic Life Support (BLS) Ambulance by the Emergency Medical Services Regulatory Board
- ◆ One unit staffed 24 hours/day 7 days/week, second unit is staffed when needed and when personnel are available.

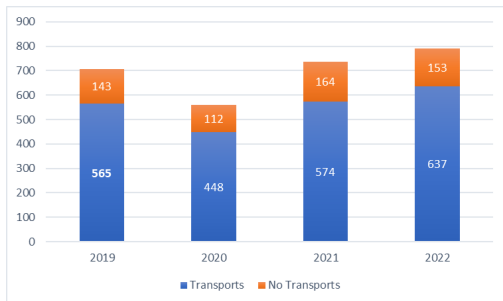
Primary Service Area

- ◆ Defined by the Minnesota Emergency Medical Services Board (map and description attached)
- ◆ Covers 160 miles² all in Carlton County
- ◆ Population of approximately 10,000

Carlton County

- ◆ Population: 36,207 (2.3% increase from 2010)
- ◆ 18% of population is age 65 or older
- ◆ 24% of population enrolled in Medicaid
- ◆ Median household income: \$68,579

Call Volume



- ◆ 3% increase in volume year-to-year over the past three years
- ◆ 2.29 calls for service/day
- ◆ 1 hour 23 minutes - average length of a call
- ◆ 87% of each day is spent “on call”
- ◆ 42% of calls occur Monday through Friday from 6am to 6pm
- ◆ 37% of calls occur from Friday at 6pm to Monday at 6am
- ◆ Saturday and Sunday are the busiest days of the week

Staffing & Leadership

- ◆ Staffed by Emergency Medical Technicians (EMT) and Emergency Medical Responders (EMR) when needed
- ◆ A majority staff meet the definition of volunteer per Minnesota Statute 144E.001 subdivision 15
- ◆ Those staff considered volunteers are eligible to earn Cooper-Sams Longevity Fund credits for each year of service. One credit has a value of \$447.19.

CFA Roster Staff	
Emergency Medical Responder (EMR)	13
Emergency Medical Technician (EMT)	41
Cadets	1

Staff Longevity	
0-2 years	21
3-5 years	20
6-10 years	11
11+ years	3

- ◆ EMRs and EMTs are paid an hourly wage ranging from \$8 to \$14/hour
- ◆ Staff must be within a reasonable distance from the Fire Hall when on duty
- ◆ A part-time Ambulance Manager is employed at 10 hours/week
- ◆ 2021 Ambulance payroll exceeded \$245,000

Carlton Fire & Ambulance Financial Support Request continued

Funding

- ◆ Ambulance budget is set by the Carlton City Council
- ◆ Fees billed for ambulance transports account for nearly 90% of revenue
- ◆ Contributions from municipalities served and a Medicaid Match program make up the remaining 10% of revenue

Per Call Income and Expense - 2019	
Income	443,630
Calls	708
Income/Call	\$627
Expense	540,244
Calls	708
Expense/Call	\$763

Per Call Income and Expense - 2022 (projected)	
Income	464,311
Calls	790
Income/Call	\$588
Expense	545,890
Calls	790
Expense/Call	\$691

- ◆ Ambulance staff salaries are the largest expense.
- ◆ \$300,000 - cost of an ambulance with power lift cot and mounting system
- ◆ EMT training cost = \$2,000
- ◆ EMR training cost = \$1,000

Billing and Collections

- ◆ Patients are billed when transported or when treated at the scene and released
- ◆ \$1,100 - Base rate charged for patients who reside in municipalities that contribute to the Paid-On-Call Program
 - ◆ \$20 - Mileage rate billed for miles the patient is transported
- ◆ \$2,000 - Base rate charged for all other patients
 - ◆ \$30 - Mileage rate billed for miles the patient is transported

2021 Billing and Collections	
Total Billed Charges	1,075,245
Cash Collected	440,589
Allowances	592,606
Write offs	2,278
Runs Billed	596
Average Charge	1,804
Average Cash Collected	739
Average Allowance	994

2021 Payor Mix	
Medicare	34%
Medicaid	35%
Commercial	18%
Other Insurance	11%
Private Pay	2%

Medicare Reimbursement Model			
Charges	Qty	Rate	
Base Rate (resident)	1	1100	1,100
Mileage Billed	15	20	300
Total Charges			\$ 1,400
Payment			
Base Rate	1	406.25	406.25
Mileage	15	12.15	182.25
Total Payment			\$ 588.50
Contractual Adjustment			(811.50)

Commercial Insurance Reimbursement Model			
Charges	Qty	Rate	
Base Rate (resident)	1	1100	1,100
Mileage Billed	15	20	300
Total Charges			\$ 1,400
Payment			
Base Rate (80% of charge)	1	880	880.00
Mileage	15	16	240.00
Total Payment			\$ 1,120.00
Contractual Adjustment			(280.00)

Private Pay Reimbursement Model			
Charges	Qty	Rate	
Base Rate (resident)	1	1100	1,100
Mileage Billed	15	20	300
Total Charges			\$ 1,400
Payment			
Base Rate (20% of charge)	1	220	220.00
Mileage	15	4	60.00
Total Payment			\$ 280.00
Contractual Adjustment			(1,120.00)

Financial Modeling & Current Funding Formula

Ambulance Income Statement Model		
	2022	2023 Projected
Revenue		
Fee for Service	464,311	464,311
Medicaid Match Revenue	33,797	33,797
Subsidies and Levies	37,570	37,570
Carlton County Vehicle	15,000	15,000
Miscellaneous Revenue	2,000	2,000
NET REVENUE	552,678	552,678
Expenses		
Salaries & Benefits		
Ambulance Staff	225,000	379,624
Management & Support	48,000	40,700
Other	242,390	242,390
Depreciation		
Vehicles	50,000	50,000
Equipment	14,000	14,000
TOTAL EXPENSE	579,390	726,714
NET INCOME	\$ (26,712)	\$ (174,036)

2022 CFA AMBULANCE FUNDING REQUEST FORMULA							
Municipality	2020 Net Tax Capacity	Percentage	Billable Amount	2020 # of Calls		Billable Amount	TOTAL
Carlton, City of	663,239.00	7.86%	3418.55	202	41.82%	18,192.55	21,611.10
Wrenshall, City of	340,559.00	4.04%	1755.35	28	5.80%	2,521.74	4,277.09
Atkinson Township	368,000.00	4.36%	1896.79	13	2.69%	1,170.81	3,067.60
Blackhoof Township	768,305.00	9.10%	3960.09	36	7.45%	3,242.24	7,202.33
Mahtowa Township	95,000.00	1.13%	489.66	12	2.48%	1,080.75	1,570.41
Silver Brook Township	2,019,527.00	23.93%	10409.30	10	2.07%	900.62	11,309.92
Thomson Township	534,000.00	6.33%	2752.41	4	0.83%	360.25	3,112.66
Twin Lakes Township	2,948,962.00	34.94%	15199.91	117	24.22%	10,537.27	25,737.17
Wrenshall Township	346,838.00	4.11%	1787.72	12	2.48%	1,080.75	2,868.46
Sawyer Township	355,086.00	4.21%	1830.23	23	4.76%	2,071.43	3,901.66
Black Bear Casino				26	5.38%		2,341.61
	8,439,516.00	100.00%	43,500.00	483	100.00%	43,500.00	87,000.00

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