

**TOWN OF TRUMBULL
BOARD OF FINANCE– SPECIAL MEETING
MINUTES
January 9, 2013**

CALL TO ORDER

Chairman Elaine Hammers called the Board of Finance meeting to order at 7:15 p.m. at the Town Hall, Trumbull, Connecticut. All those present joined in the Pledge of Allegiance.

Members present and absent as follows:

PRESENT

Chairman, Elaine Hammers
Dave Rutigliano
Paul Lavoie
Andrew Palo
Cindy Penkoff, Alternate
Susan LaFrance, Alternate
Tom Tesoro

ABSENT

Steve Lupien
Vincent DeGennaro, Alternate

Also present: Maria Pires, Finance Director; Timothy M. Herbst, First Selectman; Elaine Wang, Chief of Staff

The Chair indicated that the Final Assessment of the Trumbull Emergency Medical Services was going to be presented by Robert Holdsworth and Leonard Guercia of the Holdsworth Group. Their services were selected by the Town after putting out an RFP.

The scope of the project was to conduct an independent review of the EMS organization, provide operational guidance for the future and assist in the implementation of whatever option the community chooses.

The focus of the study was to identify the strengths of the current system, the issues facing TEMS today and in the future, and an assessment of future needs in the following areas:

- Facilities
- Number of Units
- Management of TEMS
- System Operations
- Call Analysis
- Staffing Levels
- Potential Growth Areas
- Funding Conclusions

A review of each area was completed, using:

- On-site interviews
- Review of documentation
 - TEMS by-laws and standard operating procedures
 - Budgets and financial statements
 - Business documents and personnel rosters
 - Dispatch records

- On-site view of daily operational shift changes
- Written survey
- Review of dispatch procedures

FINDINGS

Call Volume Analysis

- Most recent period reviewed was 1/1/2012 – 8/31/2012
- 2655 calls resulted in 1656 transports; 999 (37.6%) of these were considered community service calls (no remuneration) since there was no transport.
- The Town has made a decision to provide this level of Community service. If calls cannot be handled, they are passed to mutual aid.
- 364 calls were referred to mutual aid due to inability to handle here. Referred calls can result in loss of revenue for the Town.
- 1498 of the 1656 transports were billed; there is a 158 call difference. This difference represents those that are transported under state law whether or not they can pay. This represents lost revenue.

Staffing Analysis

- Industry standard for unit productivity, Unit Hour Utilization or UHU, is derived by dividing the number of calls by the number of hours staffed.
- Optimum UHU is .4 - .5. One ambulance staffed with 2 people making one call every 2 hours. The Town currently has a UHU of .18, which indicates that we are understaffed; we don't have enough people. To increase the UHU, you need to increase the staff.
- You are not providing adequate coverage to your community. You must provide an ambulance to the first call every hour. This is in violation of state statutes.
- Estimated missed call volume based upon UHU of .18 is \$300,000.

Revenue Projection

- Based upon 3000 calls, with more staff and moving more patients, you are looking at gross revenue of 1.6 million. Currently, the Town is losing 300,000 to 350,000 due to lack of staff.

Staffing Recommendations

- Add full time staffing of 2 crews, increasing payroll hours to 22,720 to ensure all calls are covered. One crew 24/7 365 days; one crew 10:00 am - 8:00 pm Mon – Friday. Volunteers to cover 10:00 pm to 6:00 am and continue to provide support for special events including sports.
- Add a Director's position at \$70-80,000 per annum, and leave the Administrative Assistant position. Possibly promote Barbara Crandall and supply her with the support she will need.
- Use of one of the 3 Staffing Models: Part time; 24/7/365; Outsourcing.

Management of EMS

- Need a clear chain of command and response time.
- There is a disconnect between those who run the day-to-day operations and those who have oversight.

Management Recommendations

- Create a leadership team e-mail group and make sure everyone is kept informed.
- The EMS Commissioners should have the power to monitor the delivery of EMS performance including response time and calls passed to EMS; Approve and review budgets; Review and approve capital purchases. EMS Commission should not be involved with the day-to-day operations.
- Town should clarify the role of each of the 3 groups involved in TEMS: TEMS Chief; Deputy Chief; Administrative Support/Human Resources.

Fleet Recommendations

- Average transport is 6.2 miles. Replacing ambulances at 150,000 miles; rotation of ambulances is a good idea. The lease purchase agreement is a good choice.
- From a maintenance and gas cost perspective, it is more efficient to look at smaller sprinter ambulances or modular ambulances. In this area, smaller vehicles will serve just as well.
- Maintenance should be done by outside agency not Town garage.

Marketing

- Website; public relations
- Trumbull EMS can make effort to bring in more people.
- Recruiting events (schools)
- Reports to EMS Commission
 - Requests
 - Transports
 - Community service

Revenue Recap

- Revenue Savings- renegotiate paramedic contract.
- Revenue found – cancel the Blue Cross/ Blue Shield contract.
- Adequate staffing will result in additional revenue being generated.

Ms. LaFrance asked which months have the highest call rates. She was told that the data used could not be tracked to the billing dates, nor could the police dispatches be equated with date and time; records kept on paper and not readily available. She was told that going forward it is now possible to track times and dates.

Mr. Tesoro questioned where the breakeven point occurs, and when would it become more economically feasible to outsource the entire system. He was informed that over the next 2 years we are still good; however, each month the EMS should be reviewing the financials, along with the billing information, and the collections to see if the Town wants to continue in this direction.

The Chairman asked about the average cost of one call, since we are in a state that has now accepted Obama care and extended Medicaid coverage to young adults. More than 50% of our calls will cost us more than we will be reimbursed. She was told that there was additional revenue that was not being shown. We are getting \$547 on at least half of our calls, and that will increase to \$563, along with mileage. She was advised that whether you continue as we have in the past or outsource there is a mandate to deliver ambulance service; it will cost \$530,000 a year to outsource. This Town has an obligation despite the “unfunded” mandate.

Mr. Lavoie noted that there is a drop in level of service level when calls are passed to mutual aid. He was told that due to a lack of data the level of service cannot be quantified. When you pass that call to mutual aid there is no statutory obligation for them to send a unit; however, we are now able to track the activity.

Mr. Lavoie went on to add that to keep the level of service cost neutral, we need to do a 5 year trending “what if scenario” going forward, reviewing it on a quarterly basis, so we are not caught off guard at budget time.

The Chair asked for an explanation as to the procedure currently being used at the 911 center.

Ms. Crandall indicated that if it an EMS call, it goes to CMED and the EMS is dispatched, etc. A fire call goes to the fire dispatch. The Police coordinate all the information and who needs to go. We can request any data, report, or statistics.

Mr. Tesoro indicated that he agreed that we need an in-depth 5 year what-if financial analysis, as Mr. Lavoie indicated, along with an analysis of what it would cost to outsource.

The Chair indicated that we can prepare a model, but given the demographics of this town Medicaid will probably go from 30%-50% once employers drop coverage and decide to pay the penalty.

It was noted by the presenter that if we decided to outsource, assuming we would get an ambulance 24/7, a separate vehicle and medic 24/7, and a back-up ambulance, we could count on spending at least \$1million dollars a year. He went on to add that we should monitor the mutual aid calls, because we may find that the proper care has not been given to the individual and we are giving up that income.

Ms. Penkoff indicated that we will need more financial information before we can make any decision. In addition, we definitely need to restructure the EMS immediately and clearly define each role, since there is too much overlap among the Commissioners, volunteers, etc.

In response it was noted that the Town needs to immediately put a Director in place to make sure the staffing, etc., is done correctly; someone who would be accountable to the community. It was felt that the Town will not be looking to outsource the operation anytime soon, given the time and effort put into the community by the volunteers over the last 36 years.

First Selectman Herbst indicated that the financial consideration is important; however, over the last 3 years we have had to activate the EOC many times, and he has seen in that EOC that the EMS is an integral part of the emergency management team, as are the police and fire departments, and having that direct contact is essential in an emergency situation. There are a number of models that the Town must look at when we discuss privatizing. Before the Town takes on all the risk and liability or decides to use an outside source, we should look to use a hybrid – hire a Director who is a paid employee of the town and outsource some of the staffing. This way, we have someone in the EOC head to make staffing decisions, etc., so the town does not incur the risks associated with paid employees. He wants to make sure that when a 911 call comes in all 3 of our emergency service units are available to go and it is seamless.

It was noted that although the recommendation is a hybrid model, having a strong EMS Commission as an oversight body to make sure that things are being done properly. Currently there is a cross-function and overlap and that needs to be separated.

First Selectman Herbst indicated that he embraced the recommendations in the report, with the hiring of a Director and to outsource the staffing. He then asked what the financial impact would be to the Town and if this could be made revenue neutral. We would do whatever we need to keep the public safe.

It was noted that you would pick up more calls, and if the paperwork is done properly, more revenue. However, he would provide 3 different revenue flows to the First Selectman to use in preparing his proposal for the Board of Finance. He would not replace the volunteers, he would supplement them.

David Kayne, 51 Old Mill Road, Trumbull, CT.

Mr. Kayne asked if the 3 scenarios would include privatizing. If we decide to privatize, then would all we spent be a loss?

It was noted that equipment is leased, and if the Town owns equipment it would be very saleable.

The Chairman indicated that if we are operating at a loss, we would most likely have to offer a subsidiary to privatize, since the obligation to provide the service rest with the Town. We are currently revenue neutral.

The Chair indicated that hiring a Director is the priority. The suggestion is that if we are going to look for a Chief we will need funds in the budget. We will need a Supplemental Appropriation for this year. We can wait until the February meeting, or we can amend our Agenda for tomorrow's meeting.

The First Selectman indicated that he would like to get a job description and begin the process of finding a Director. Mr. Rutigliano expressed his agreement. The First Selectman indicated that he would begin the process without the Board of Finance approval, or amend the Agenda.

The Chair asked if there was any interest in amending tomorrow's Agenda. Ms. Penkoff indicated that she had no problem; Mr. Tesoro indicated that he would prefer to see the job description and to listen to the Commission's thoughts.

David Kayne, 51 Old Mill Road, Trumbull, CT

Mr. Kayne asked why the Board of Finance would be hiring, why not the EMS Commission, and who would this person report to?

The Chair indicated that this position would report directly to the First Selectman. Mr. Kayne then asked why we are talking as if the EMS and Commissioners are not here and why are they not participating. The First Selectman indicated that the Commission contributed to the feedback that was used to create the report that was presented this evening but did not post the meeting in conjunction with the Board of Finance and therefore could not participate.

Mr. Rutigliano indicated when the funding is actually requested at the next meeting everyone will have the opportunity to speak. He went on to add that the funding will not be requested for at least one month and at that time the job description will be available for review. He went on to indicate that tonight's meeting was called due to the high importance of presenting the report.

**Joe Rodriguez, Vice Chairman of EMS Commission
85 Oakridge Road, Trumbull, CT**

Mr. Rodrigues, as a very long term member of the Commission, indicated that he felt that the Commission should be involved in the hiring of the Director for the Trumbull EMS and he had not yet heard that discussed.

Mr. Rutigliano indicated that the Board of Finance would not have that authority; only there to appropriate the funds. The First Selectman indicated that the Commission would be actively involved in the review of the job description along with their input, along with outside professionals.

ADJOURNMENT

By unanimous consent, the meeting was adjourned at 9:40 pm.

Respectfully submitted,

Phyllis C. Collier
Board of Finance Clerk