

Roane County's Ambulance Operations

In a previous article "Does Roane County Government have an Emergency Fund"? I discussed how County Government accounting and budgeting is established by Fund Accounting. In the previous article I talked about how Funds are operated like independent companies. The county operates twenty four "Fund/Companies" and one of those is the Roane County Ambulance Services.

The Ambulance Service accounting is similar to that of an ambulance company with of course some accounting exceptions. What is good about the Ambulance Fund/Company is that the Legislative Body (county commission) and management can make decisions based on the needs of the community and financial impacts independently of other government operations.

The ambulance operations in Roane County is a \$2.7 million business with twenty seven (27) full time employees and a host of part-time employees. The major revenue source is patient charges of \$2.5 million, with \$1.4 million being Medicare charges, \$900,000 in Medicaid and private charges, \$170,000 in private pay, and local property tax is one penny or about \$130,000. Another penny or \$130,000 is added each year to Ambulance Capital in order to purchase and replace an ambulance each year.

From a big picture standpoint the Roane County Ambulance Service is subsidized \$260,000 a year. The question often comes up, is this subsidized enough, too much or about right? Another question that often comes up each year is about expanding service.

The following are several decision factors we periodically review. The county makes about 9,000 calls a year with 7,200 of these transporting patients, 1,800 of these calls are not billable. Of these 7,200 calls only three (3) percent (216) are emergency. The Ambulance service makes numerous transportations from hospital to hospital and hospital to home. The schedule transports are what pays for emergency coverage as an Ambulance, not transporting is costing fund but receives no revenue.

Roane County staffs four (4) ambulances that are online 24 hour a day 365 days a year. Periodically, if the ambulance services experiences a heavy transport volume another ambulance is brought online. All ambulances have Advanced Life Support (ALS) and Roane County maintains a Class A rating.

So, you want another Ambulance? Roane County will still have nine thousand calls. Emergency response may or may not improve with an additional ambulance in service.

The cost for the operating an ambulance is about \$400,000-\$500,000 a year. So, let's say four (4) to five (5) cents in property tax. There is no guarantee of better emergency services and you may ask why?

Most transports are scheduled but Roane County is diligent to make sure we do not go level "O" which means no ambulances are available for an emergency call. We do go level "O" on occasion if more than one emergency call comes in at the same time. What's important in scheduling and transporting making sure the ambulances are released from the hospital allowing the ambulance to be available for the next emergency.

Some may think we should contract out services, which may have some advantages, but could impact the care of Roane County citizens. There would be a good possibility that if contracted out, Roane County's available ambulance could go to two (2) or three (3) ambulances being available. A vendor

could still require the county to pay for service and thus the two (2) cents in property tax would not go away.

Over the years as the county has considered changes in operations, the county continues to feel that the citizens are best served with a county owned operation. If government service is not as effective as a private business at least the government or its citizens are not paying for the companies' profit which on a \$2. million operation could be \$540,000 or 20%.

The county ambulance services are experiencing some challenges in the coming year, which means the private sector is also. Recently nine (9) counties mayor/executives along with another directors met in Anderson County to discuss issues and potential solutions going forward. These issues include: Staffing challenges of wages, shortage of staff and training; reimbursement rates from State and Federal Governments, extensive waiting times created by hospitals not accepting patients and ambulances thus being out of service, sometimes hours as the paramedics must attend to the transported patient in the halls of the emergency room.

We are currently monitoring activities related to the Anderson County Ambulance service as Roane County contracts with the Anderson County Ambulance to service the north end part of Roane County and City of Oak Ridge located in Roane County. Anderson County is currently analyzing a performance audit report and debating outsourcing.

If you see one of Roane County Ambulance employees out, please give them a big thank you for their dedication and service. They may be saving your life in the future.

Information about county government operations and monthly newsletters can be found at www.roanecountytn.gov.