Hi Frank,

It was nice chatting with you earlier today.

Here are some highlights as to explaining the increase in rates.

                -We are currently paying for Heart Monitors and although our last payment is scheduled for the 20-21 year, we have recently been informed that those monitors will be obsolete as of 2-3-21 due to an FDA ruling.  This unforeseen change will require the City of purchase another set of Heart Monitors in order to be in compliance.  The price in 2016 was $92,254.  We anticipate that same ballpark for the new Monitors.

                -We are currently paying for a New Ambulance.  It will be paid off in 2023-2024, in time for the need of another ambulance.

                - Medicaid and Medicare payments are not making the Department whole.  Our receipts are down significantly.

                -In addition, with the increasing number of people having High-Deductible Health insurance plans, it is difficult to collect their deductibles the first three months of the year, until the insurance kicks in once they have met their deductibles.

                -Payroll changes implemented in 2015 as the result of the Department of Labor stepping in – has increased our costs over the last few years.

                -All of our full time employees now take our Health Insurance, which is a complete 180.  A few years back, we were lucky that none of our employees in the Ambulance Department took insurance (which was a great cost savings).

                - We did think about increasing the per capita over the last few years, and were trying to hold out until the new census came out – but unfortunately, we are just not able to wait any longer.  We have kept the per capita at $5.75 for the past six years.

                 -The average price per call with the $13 per capita comes to $329, some entities higher some lower – but there was discussion that the townships were losing more than that when they were doing their own billing.

All together we currently have a population of 16,336 that we are serving.  That may change as a result of the 2020 Census, but we will not look at the numbers until the next budget year.

The City of Portland considers the Ambulance Service to be an added value for our residents, one that is hard to place a price tag on when you or your loved one is in need of the service considering response times.

Our hope is that with the cost savings you were able to see over the last several years, you could get on board for moving the department in the right direction!

Thank you,

**Mindy Tolan**

Finance Director/Treasurer

City of Portland

Phone: (517) 647-2933

Fax: (517) 647-2938