

CHS has rejected the Village Board's last offer of a contract. CHS provides, as do other agencies, a quality level of ambulance service. That is not the issue. A contract is not necessary for the continuance of ambulance service to the Village. CHS accepted the Village Certificate of Need (CON) transfer for providing ambulance service and is obligated to respond under the Certificate of Need. If they fail to do so, the Village Board has options. For example, the Village may issue a Request for Proposal or declare a municipal Certificate of Need. The Village Board will continue to monitor the situation.

The Village Board has, in good faith, attempted to reach a middle ground with the contract negotiations during the last few months. Providing quality emergency services to our residents is a high priority of the Village Board. The residents have and will continue to have ambulance service. It is important to realize that not all information was or is available for public disclosure. Items such as attorney discussions, contract discussions, personnel issues, potential litigation and executive sessions are typically not able to be disclosed by a municipality.

As reported during our monthly meetings, up until recently the Village Board believed that it was in the final stages of entering into a contract to merge our ambulance operations into a new entity CHS Mobile Integrated Health Care (CHS). From late 2016 until April 2017, a draft working contract was jointly developed. In May, the Village believed it had a final contract draft, which was sent to CHS. Unfortunately, after months of work, in late June 2017 CHS unexpectedly presented a complete and total revision of the contract. The CHS June 2017 contract draft did not include many of our previously agreed upon contractual items and materially departed from most of the major points that the Village Board had agreed to during this several-year effort. What started as a consolidation turned into a "merger" and ended up as a contract for EMS services. This was unacceptable to the Village Board as it no longer included many terms that had been agreed to, raised some legal issues, had deleted all the liability provisions, and some additional issues. Further, as this was no longer a merger but rather a service contract it raised a Village policy issue as it has been long standing Village policy to obtain competitive bids or Request for Proposal (RFP) for services.

During the last few months, the Village Board has attempted to bridge the gap between what was CHS had proposed and the previously agreed upon draft. This was unsuccessful. In January 2018, CHS rejected the contract.

ORIGINAL GOALS

The Village Board had several goals during this process. The primary goal was to improve our local staffing for the Rescue Squad. The Village Board also wished to contain costs, maintain or improve response times, maintain within our district a local-based ambulance presence, command, volunteers, the existing local EMS first response, and have Village representation within the new organization. This "merger" was originally intended to help with our staffing and create a local based combination volunteer/career organization. These goals were not accomplished.

BACKGROUND

This effort started several years ago when the Village Board allowed the Village Rescue Squad to investigate consolidation with other EMS services in the 4th Battalion to improve our local emergency medical services, which included general ambulance service. The Village Board received regular reports and updates, participated in committee meetings, and approved concepts and actions at various milestones. This effort was started within the 4th Battalion EMS agencies. Along the way, several agencies chose not to continue. In early 2016, Henrietta Ambulance was added. This left three agencies working on a consolidation, Henrietta Ambulance, a not for profit primary career staffed corporation, Chili Volunteer Ambulance, a not for profit volunteer staffed corporation, and the Scottsville Rescue Squad, a Village ambulance service volunteer staffed. The Village Board engaged legal services, participated in committee meetings, developing and agreeing upon items such as operating practices, organizational structures, and finances. The Town of Wheatland signed a contract for ambulance service separately before the Village. The Town did not coordinate with the Village. They also did not have the asset, legal or personnel issues that the Village did.

In the Fall of 2016, the Village agreed to begin the process of transferring its ambulance operating authority known as a Certificate of Need (CON), to CHS, pending completion a signed contract with CHS. In November 2016, the Village became aware that CHS had unilaterally made significant changes in the operating concepts, previously agreed contract items, and also that all options, costs and impacts, to the Village had not been fully analyzed, and that further legal opinions were needed. At that time, the Village Board believed that it would be prudent to further

analyze options, that the CON transfer would place the Village in a less than favorable negotiating position, and that consideration should be given bringing in outside consultants. Based upon this, the Village Board asked to suspend the CON transfer. Very late in December 2016 the Village Board was made aware that the existing Village CON had not been applied to be renewed and would expire at the end of December 2016. Faced with this, the Village Board allowed the transfer to continue in order that ambulance service would not be disrupted, believing that it would eventually reach an agreement with CHS.

On January 1, 2017, immediately after the CON transfer and without notice or consulting with the Village, CHS ceased all local based Rescue Squad EMS operations and all Squad members were told to return their equipment. They were told that they were “homeless.” Over the next few months, a short-term lease for the use of the Village’s ambulances was done and the Village Board worked on coming to an agreement with CHS. Also during that time, it was reported that a significant amount of Rescue Squad equipment was removed without inventory or permission. The Village Board has attempted to determine what was removed, and have the items returned.

As local Rescue Squad EMS 1st response had been discontinued, the Scottsville Fire Department also began to train, and fully equip to completely provide first response services for critical calls. The Fire Department had always provided 1st response EMS, however the primary 1st response function and costs had resided within the Village Rescue Squad. The Fire Department has 18 EMT’s and only recently started providing EMS first response after local service was ceased.

In the last few months, coordinated by the Village Attorney, the Village Board negotiated in good faith and believed that contract terms were almost settled. Unfortunately, the last contract “revisions” made by CHS were a complete rewrite of the contract that rejected almost all of the original concepts and deleted all references to a merger. This was wholly unacceptable to the Village Board. The Village Board responded and asked that CHS detail what items in the original draft were unacceptable. There were discussions and meetings where we felt that we had made progress, however CHS rejected the contract in January 2018.

FINANCIAL CONCERNS

The Village had some significantly different financial and legal concerns than the other parties in this effort.

- The Village had to comply with applicable NYS laws for accounting for and use of municipal funds involved, the Village is unable under NYS law to transfer funds or equipment to a private entity.
- The Village never had an “ambulance tax” or ambulance tax district, the Rescue Squad was a department under the Village and its operating budget was part of the Village tax. As such, under New York state law and common operating practice, the Village may reallocate budget items and reserve funds.
- Ambulances were sold because the Village no longer had a CON. CHS had discontinued local rescue squad operations, and it was no longer a consideration for the Village to provide local based ambulance operations. Most of the terms were agreed upon, so a contract appeared to be within reach at that time.
- Under NYS state law, the Village was obligated to get fair market value for all equipment.
- Legal opinions were needed, including using tax funds collected for ambulance service to offset private individual insurance copayments.
- Tax funds cannot be spent outside our Village. The Village may not cross-subsidize with other municipalities or non-profit organizations.
- Funds collected by taxes and Village ambulance fees may, and will be used, to support emergency services within our district. It is illegal to give these funds to any nonprofit corporation. There are significant pending financial needs within the Village Fire Department. The Village Board believes that these funds will save money and avoid significant future tax increases.
- The Village Board found that all costs and impacts were not accounted for during the initial presentations by the EMS consolidation committee, and the Village Board wished to consider the full impacts.
- The Village Board found that not all options had been fully evaluated.
- There is a question of whether the Village should pay for ambulance services, when other ambulance services would not bill the Village.
- A significant amount of Village equipment and supplies were removed without permission, inventory or accounting. The Village Board has been working to get these items returned.
- A reasonable reimbursement for resident co-pays.

GENERAL CONCERNS

- Significant changes in contact terms to what was presented to the Village such as:
 - Unrestricted appointment of a CHS Board of Director position by the Village Board
 - Maintaining local based operations
 - Maintaining local based volunteer staffing
 - Maintaining local based equipment
 - Maintaining local based 1st response
 - Existing Member transfer to new organization such as non EMT personnel, recognition of rank/position, incorporation of members and recognition of service years of service
- Local representation and accountability in the new organization
- All costs and impacts to the Village of this proposal were not completely evaluated.
- All options were not fully and completely evaluated, such as town wide local based ambulance service, service by other agencies, and staff leasing.
- There were increases in the billing rates from what had been charged by the Village. This item was never discussed or analyzed.
- All local Rescue Squad operations were discontinued without notice on January 1, 2017, which was contrary to assurances made during the process that local operations would continue as before.
- Increasing local staff was an issue that this process was intended to address, increasing our volunteers adding local staffing as CHS discontinued local operations. This did not occur.
- The Village ambulance CON was not renewed, and this was done without consulting the Village Board.
- Concerns about conflicts of interest during the process.
- Insufficient accountability and remediation for missed performance standards.
- Notifications to residents that they or their insurance company would be billed for certain services.
- A significant amount of Village equipment and supplies were removed without permission, inventory or accounting. The Village Board has been working to get these items returned.
- The Village Board wished to improve response times. The Rescue Squad had averaged 12-15 minutes response times for all calls. The Village Board also wished to maintain and improve that level of response. CHS, in the last contract revision reverted to “rural” standards. It should be noted that other EMS agencies can potentially meet the rural standard. The Village Board believes the suburban response standard to be more appropriate for the Village of Scottsville. However, the parties had agreed to an intermediate standard.

For reference, the following are the regional performance metrics recommend by the local system. Response times are based upon the call type and priority assigned when the call is received.

- Suburban -
 - First responder with minimum of BLS capability is on scene 90% of the time in 5:00 for all emergent events (Delta or Echo) where first responder is dispatched
 - ALS transport capable vehicle is on scene 90% of the time for Priority 1 calls in 10:00
 - ALS transport capable vehicle is on scene 90% of the time for Priority 2 calls in 10:00
 - ALS transport capable vehicle is on scene 90% of the time for Priority 3 calls in 15:00
 - BLS transport capable vehicle is on scene 90% of the time for Priority 4 calls in 25:00
- Rural-
 - First responder with minimum of BLS capability is on scene 90% of the time in 8:00 for all emergent events where first responder is dispatched
 - ALS transport capable vehicle is on scene 90% of the time for Priority 1 calls in 17:00
 - ALS transport capable vehicle is on scene 90% of the time for Priority 2 calls in 17:00
 - ALS transport capable vehicle is on scene 90% of the time for Priority 3 calls in 22:00
 - BLS transport capable vehicle is on scene 90% of the time for Priority 4 calls in 32:00

CONCLUSION

Contract negotiations and the “merger” did not go the way the Village Board anticipated. The concepts that were originally proposed, and where negotiations concluded, differ greatly. Public Safety is a very high priority for the Village Board. We wish to provide the best, most high quality, cost effective emergency services, in accordance with the laws and regulations, that we can.