

# MEDIC ONE/EMERGENCY MEDICAL SERVICES

## STRATEGIC PLAN & LEVY REAUTHORIZATION

ALS Subcommittee meeting 5/8/2024

### Summary

*Topics included a report out on issues being considered in the other levy planning subcommittees, an assessment of actual ALS costs to identify any issues with the allocation, and a review of reserve and contingency usage to determine future funding levels.*

### Attendees

*Chair: Keith Scully, City of Shoreline*

Marc Bellis, Bellevue Fire MPD

Cynthia Bradshaw, King County EMS

Matt Burrow, Bellevue Fire

Helen Chatalas, King County EMS

Andrea Coulson, King County Medic One

Becky Ellis, King County EMS

Jamie Formisano, Eastside Fire & Rescue

Katie Halse, City of Bellevue

Jason Hammond, King County EMS

Steve Heitman, Renton RFA

Cory James, NORCOM

Graham McGinnis, King County Medic One

Amy Moorhead, Redmond Fire

Bill Newbold, Kirkland Fire

Kelly O'Brien, King County EMS

Michele Plorde, King County EMS

Tom Rea, King County EMS

Mark Sawdon, King County Medic One

Eric Timm, Paramedic Training Program

Brian Wallace, Seattle Fire

Todd Wollum, Shoreline Fire

### Issues Discussed:

#### Report from other subcommittees

BLS Subcommittee: The group is considering the BLS Allocation funding distribution methodology. King County EMS staff is running different distribution options for review. Discussed focused on distributing funds related to equity. The EMS Division will prepare additional methodology options for the June meeting.

Regional Services Subcommittee: The first three meetings will focus on program and Initiative review. Thus far, the group has reviewed Training & Education programs and Community-centered programs. Next on the docket is a review of Regional Quality Improvement and Data system activities.

#### ALS Allocation

##### Overview:

Within the King County EMS fund, funds for ALS services are provided to agencies via an allocation that is distributed based on the number of medic units. The allocation is developed by averaging the actual annual costs across all ALS agencies. The ALS allocation consists of four separate categories of funding.

## Discussion & Decisions:

1. The UNIT ALLOCATION covers costs associated with boots on the ground 24/7. It is the largest and most stable of the categories, and usage has been consistent across agencies over this levy span. It was stated that all ALS programs are short medics, and partners asked whether the allocation could be increased by one medic.
  - **It was determined that the Unit allocation is covering costs, and no changes need to be made for the next levy span.**
  - **Rather than adding funding to the Unit allocation for an additional FTE, it was proposed that such funding be included in reserves. The EMS Division will financially model this to determine the impact on the 2026-2031 levy span for review at the Subcommittee's June meeting.**
2. The SUPERVISORY ALLOCATION includes costs associated with the management of boots on the ground. A review of costs shows that this allocation is not meeting the needs of the smaller agencies.
  - **The Subcommittee accepted a proposal that this allocation be distributed differently for the next levy span.**
3. The SYSTEM ALLOCATION includes costs that vary significantly between providers and years of the levy, such as the number of paramedic students and dispatch costs. It was determined that the System allocation is functioning as planned.
  - **The Subcommittee endorsed adjusting the allocation to accommodate an increased number of paramedic students for the next levy span.**
4. The EQUIPMENT ALLOCATION includes costs related to equipment needed to provide services. A smaller workgroup is reviewing equipment covered by the Equipment allocation.
  - **The Workgroup is reviewing equipment and life span information and will bring recommendations about this allocation to the June 12<sup>th</sup> meeting.**

## **Reserves & Contingencies**

### Overview:

Reserves and contingencies have been an integral piece of the Medic One/EMS Financial Plan since 2008. Prior to accessing reserves, agencies must determine if such expenses can be covered by other funds. Requests are evaluated for compliance with existing EMS financial policies and require review by the EMS Advisory Committee. Reserves in excess of King County financial policies can be used to 'buy down' the next levy rate.

### Discussion & Decisions:

ALS Subcommittee members determined funding levels for the different components of the reserves and contingencies.



# ALS Subcommittee considerations for 2026-2031 levy planning process

For discussion at the 5/8/2024 ALS Subcommittee meeting

## Reports from Other Subcommittees - BLS

### 5/2/24 – BLS SUBCOMMITTEE

BLS allocation distribution methodology, MIH 2026-2031 Proposal, and 2026-2031 “Programmatic Status Quo” funding level.

### Key Takeaways :

1. Equity is an important consideration for distributing the BLS allocation.
2. There is regional support for funding MIH in the next levy span.

### Next meeting – 6/12/24

Further discussion of allocation distribution formula and programs that specifically support BLS.

Reports from  
Other  
Subcommittees –  
REGIONAL  
SERVICES

4/18/24 – REGIONAL SERVICES SUBCOMMITTEE

Review of Community-Centered programs, Management & Leadership Roles, and financial overview of those investments.

Key Takeaways:

1. There is support and advocacy for the programs funded by Regional Services.
2. The reach of the Vulnerable Populations Strategic Initiative is extensive and making a difference in the community.

Next meeting – 5/14/24

Review Regional Medical Quality Improvement activities, Data Management and Analysis, and Overhead/Indirect costs.

# Topics for discussion

## TOPICS

1. ALS Allocation Review

2. Reserves and Contingencies

3. Outstanding Issues

# What are ALS eligible costs?

## **ALS eligible costs:**

- Direct paramedic services costs
- Costs related to the management of direct paramedic services
- Costs related to paramedic students, paramedic recruitment, dispatch
- Expenses related to equipment



# ALS Allocations\* and Reserves & Contingencies

## Unit Allocation

Costs associated with boots on the ground 24/7

## Program /Supervisory Allocation

Costs associated with management/supervision of boots on the ground

## Systems Allocation

Costs that vary significantly (between providers, between years)

## Equipment Allocation

Costs related to equipment

## Reserves & Contingencies

Cover one-time and unplanned costs

**\*Annual Inflator:** Compound inflator tied to specific indices

# REVIEW of Allocations, Reserves & Contingencies

## Today's focus

### Allocation review:

- Actual expenditures
- Adequacy of current allocations
- Preliminary recommendations
- Next Steps

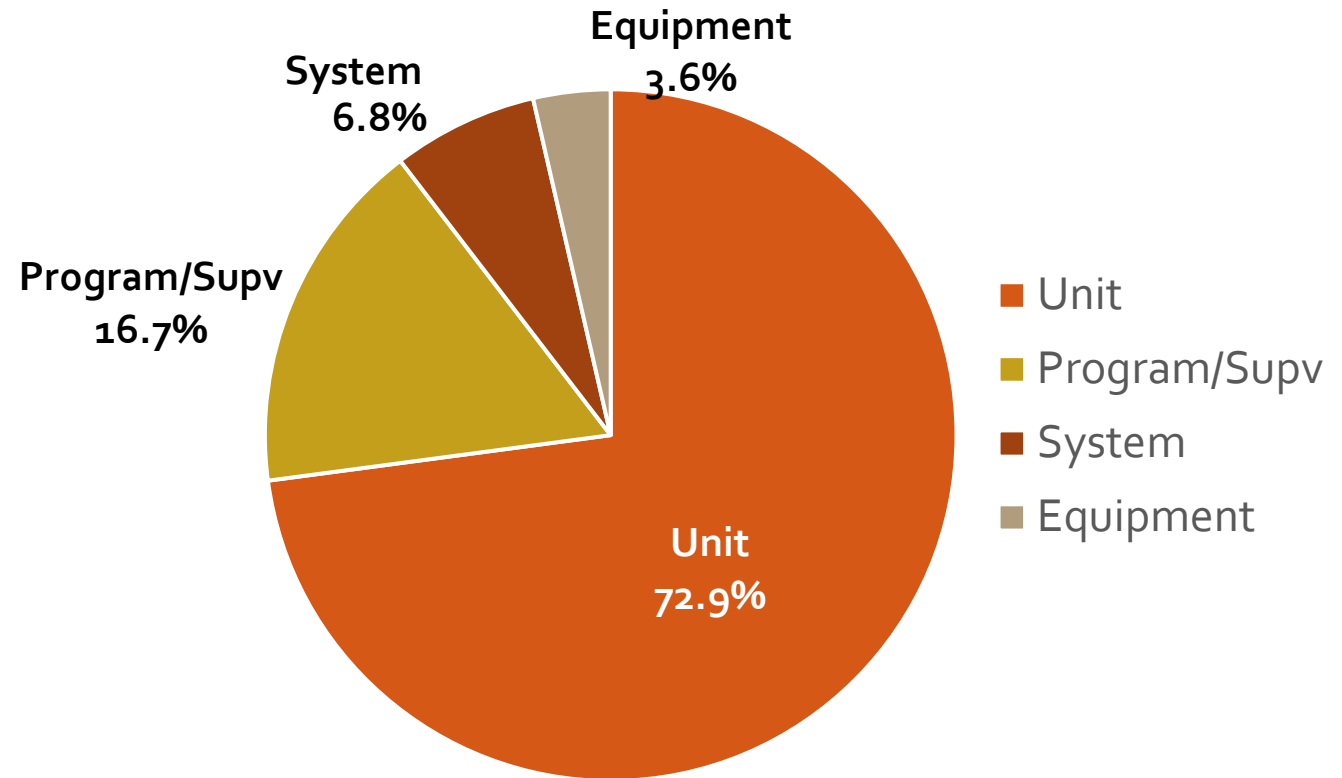
### Reserve & Contingency review:

- Preliminary recommendations
- Next Steps

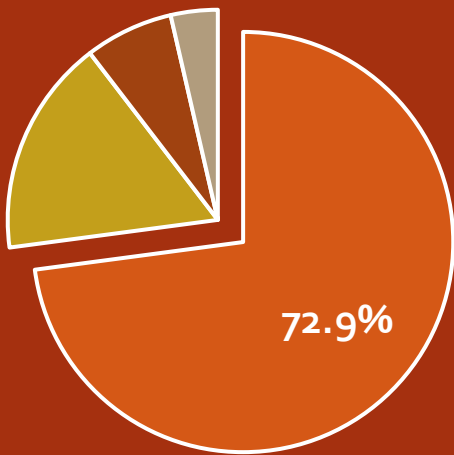
# Review of ALS Allocation Categories

## ALS Costs by Allocation Category

Actuals 2020-2023



# ALS Unit Allocation



## UNIT ALLOCATION (~73% of costs)

*costs associated with boots on the ground 24/7*

- Direct paramedic services
- Medical supplies & pharmaceuticals
- Vehicle and facility operating & maintenance costs
- Communications and technology costs
- ❖ Inflated yearly at CPI-W +1% to cover costs above underlying inflation (such as pharmaceuticals, etc.)

➤ Review focus: staffing costs (including paid time off)

UNIT (in thousands)	Per Unit	Total
2022 Budgeted	\$2,213k	\$42,055k
2022 Adjusted Actuals	\$2,189k	\$41,398k

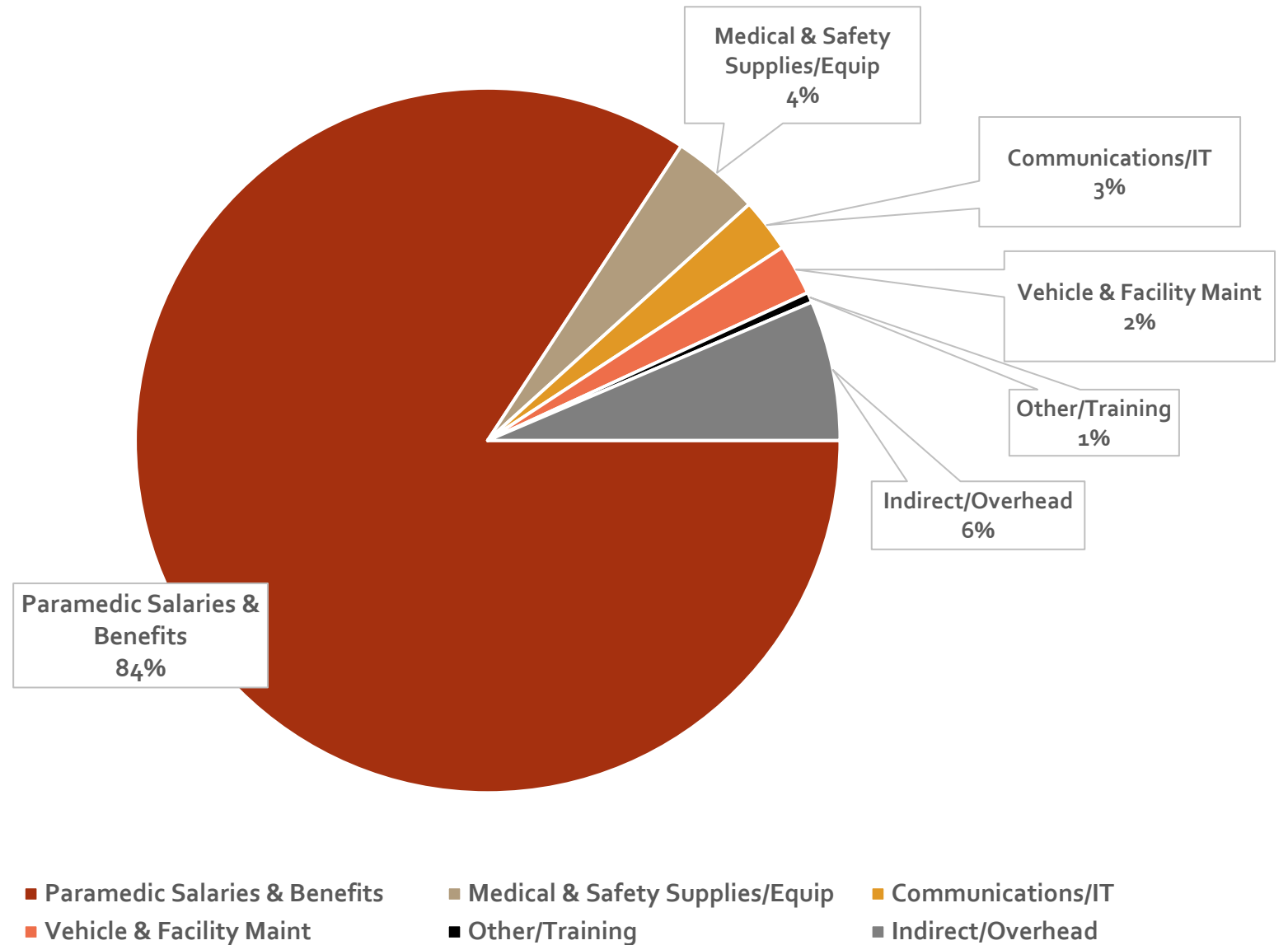
*Does not include service to FD/Skykomish area*

# ALS UNIT COSTS BY AGENCY (2022)

# of Units	3	3	4	9	19
	Shoreline	NEKCM <sub>1</sub>	Bellevue	KCM <sub>1</sub>	TOTAL
Paramedic Salaries & Benefits	\$5,836,240	\$5,801,329	\$7,622,658	\$15,617,897	\$34,878,124
Medical & Safety Supplies/Equip	\$161,069	\$245,960	\$298,365	\$973,996	\$1,679,390
Communications/IT	\$42,100	\$89,743	\$312,332	\$575,418	\$1,019,593
Vehicle & Facility Maintenance	\$45,443	\$55,867	\$284,867	\$584,642	\$970,819
Other/Training	\$1,666	\$27,596	\$44,923	\$118,427	\$192,612
Indirect/Overhead	\$272,352	\$509,184	\$208,032	\$1,668,087	\$2,657,655
<b>TOTAL</b>	<b>\$6,358,870</b>	<b>\$6,729,679</b>	<b>\$8,771,177</b>	<b>\$19,538,466</b>	<b>\$41,398,192</b>

# ALS Unit Allocation

## 2022 by cost categories

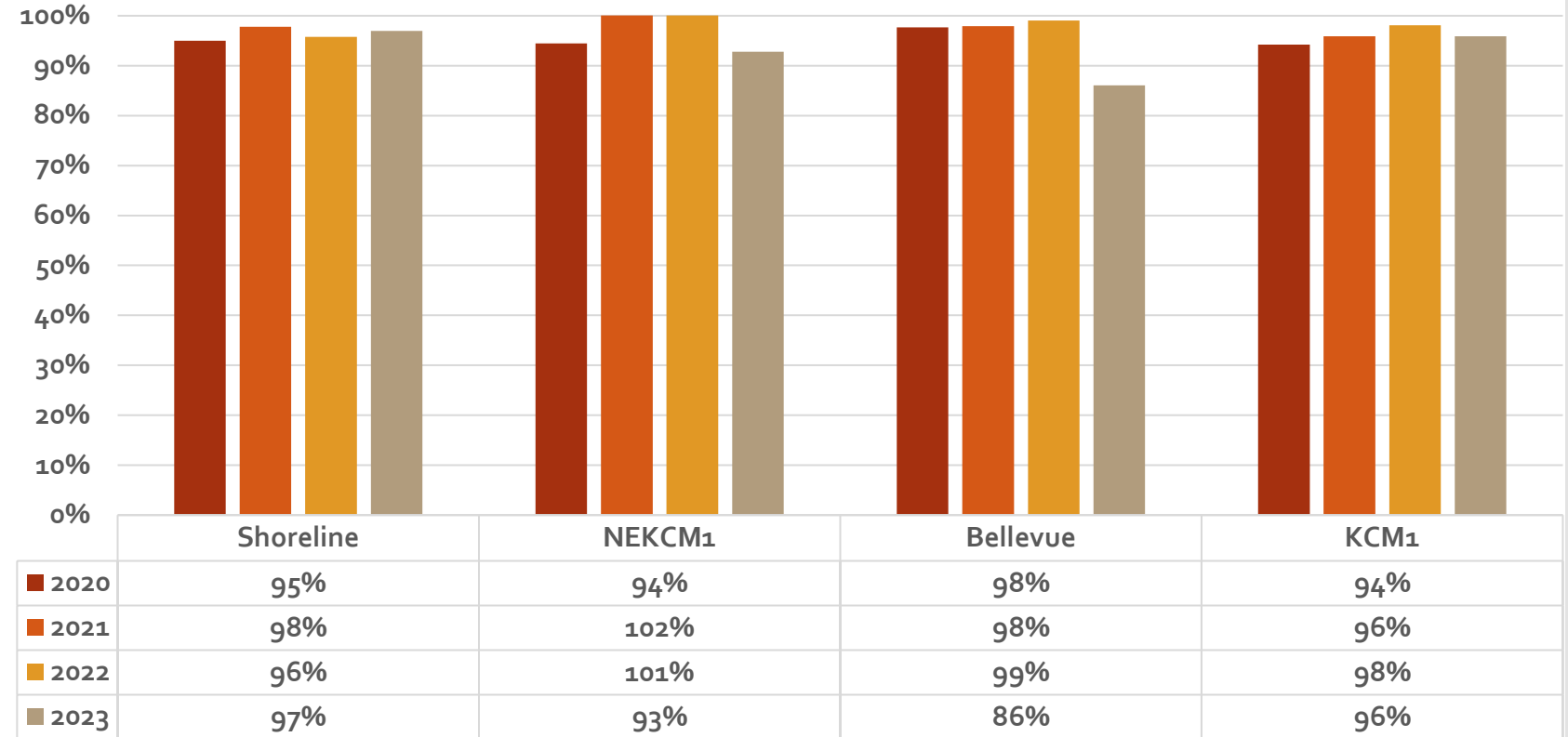


## ALS UNIT AVERAGE COSTS BY AGENCY (2022)

# of Units	3	3	4	9
	Shoreline	NEKCM <sub>1</sub>	Bellevue	KCM <sub>1</sub>
Paramedic Salaries & Benefits	\$1,945,413	\$1,933,776	\$1,905,665	\$1,735,322
Medical & Safety Supplies/Equip	\$53,690	\$81,987	\$74,591	\$108,222
Communications/IT	\$14,033	\$29,914	\$78,083	\$63,935
Vehicle & Facility Maintenance	\$15,148	\$18,622	\$71,217	\$64,960
Other/Training	\$555	\$9,199	\$11,231	\$13,159
Indirect/Overhead	\$90,784	\$169,728	\$52,008	\$185,343
<b>TOTAL</b>	<b>\$2,119,623</b>	<b>\$2,243,226</b>	<b>\$2,192,794</b>	<b>\$2,170,941</b>

# Comparison – Actuals to Allocation

## Unit Allocation % of Allocation Spent by Year



YEAR	Allocation	Avg per unit	Avg % of Allocation
2020	\$2,022,361	\$1,923,719	95%
2021	\$2,063,011	\$2,013,244	98%
2022	\$2,213,404	\$2,178,852	98%
2023	\$2,446,699	\$2,287,504	93%

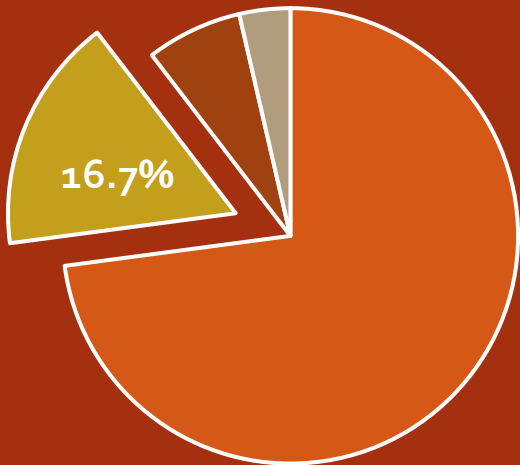


# ALS Unit Allocation

- Covers basic costs of paramedic service
- Substantial per unit cost increases due to high inflation
- Allocation covering costs

Discussion / Questions?

# ALS Supervisory Allocation



## SUPERVISORY ALLOCATION (~17% of costs) *costs associated with management/supervision of boots on the ground*

- ALS program leadership, management, and direct supervision (MSOs)
  - Analysis, financial management, program support, technology costs
  - Training leadership and coordination (typically Training MSO)
  - Vehicle and facilities supporting program staff
  - ❖ Inflated yearly at CPI-W +1% to cover costs above underlying inflation (such as pharmaceuticals, etc.)
- Review focus: distribution of allocation (acknowledging fixed costs)

*\*Previously Titled ALS Program allocation or Program/Supv allocation*

<b>Supervisory (in thousands)</b>	<b>Per Unit</b>	<b>Total</b>
2022 Budgeted	\$558k	\$10,602k
2022 Adjusted Actuals	\$480k	\$9,218k

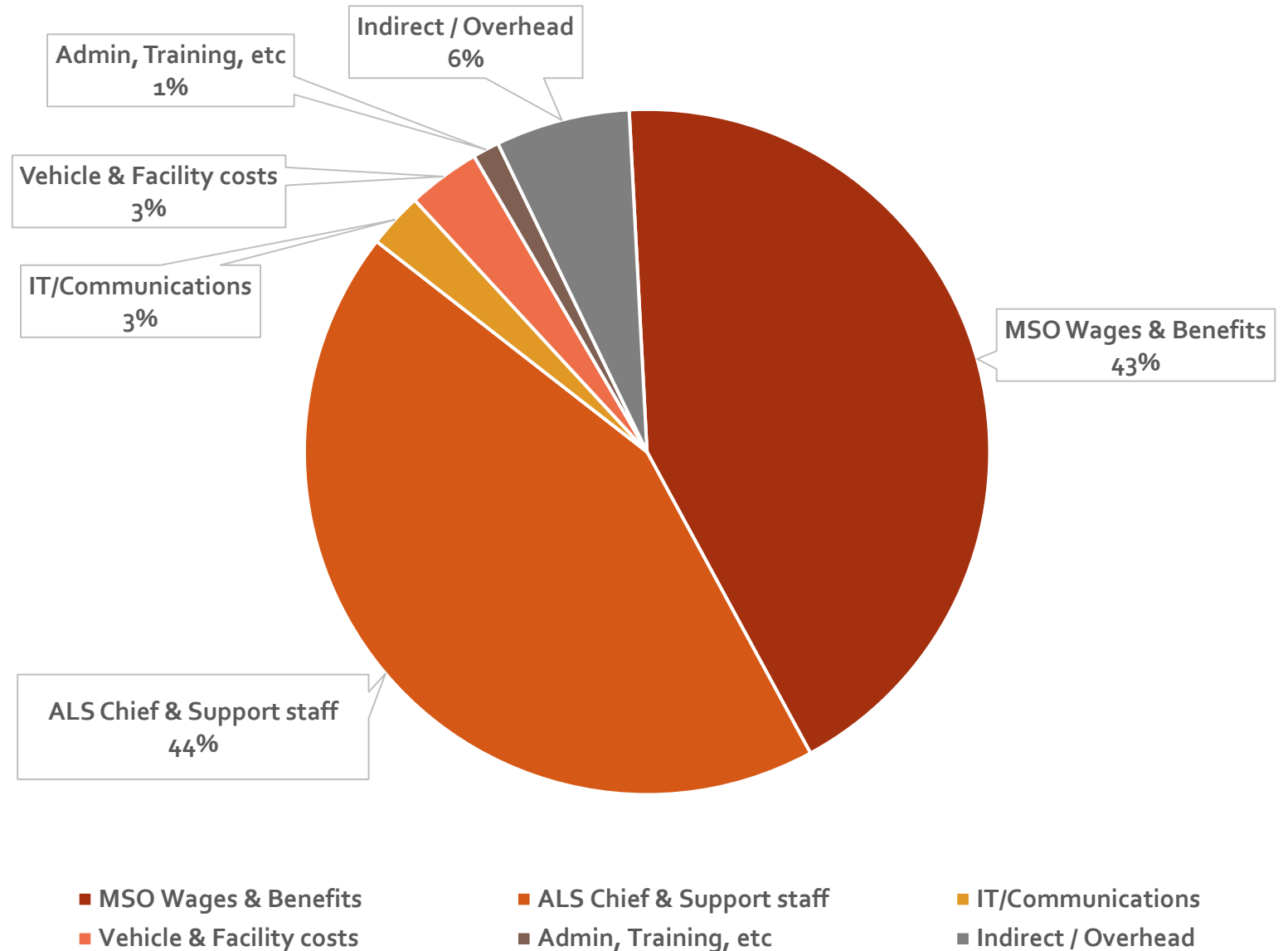
*Does not include service to FD/Skykomish area*

# ALS SUPERVISORY COSTS BY AGENCY (2022)

# of Units	3	3	4	9	19
	Shoreline	NEKCM <sub>1</sub>	Bellevue	KCM <sub>1</sub>	TOTAL
MSO Wages & Benefits	1,043,733	803,637	968,835	1,140,180	<b>3,956,386</b>
ALS Chief & Support staff	519,060	834,626	749,384	1,901,699	<b>4,004,768</b>
IT/Communications	12,073	-	84,675	144,246	<b>240,994</b>
Vehicle & Facility costs	14,568	62	73,434	228,439	<b>316,503</b>
Admin, Training, etc	3,965	2,169	85,431	24,345	<b>115,910</b>
Indirect / Overhead	65,528	117,300	92,460	308,150	<b>583,438</b>
<b>TOTAL</b>	<b>1,658,927</b>	<b>1,757,794</b>	<b>2,054,219</b>	<b>3,747,059</b>	<b>9,217,999</b>

# ALS Supervisory Allocation

2022 by cost  
categories

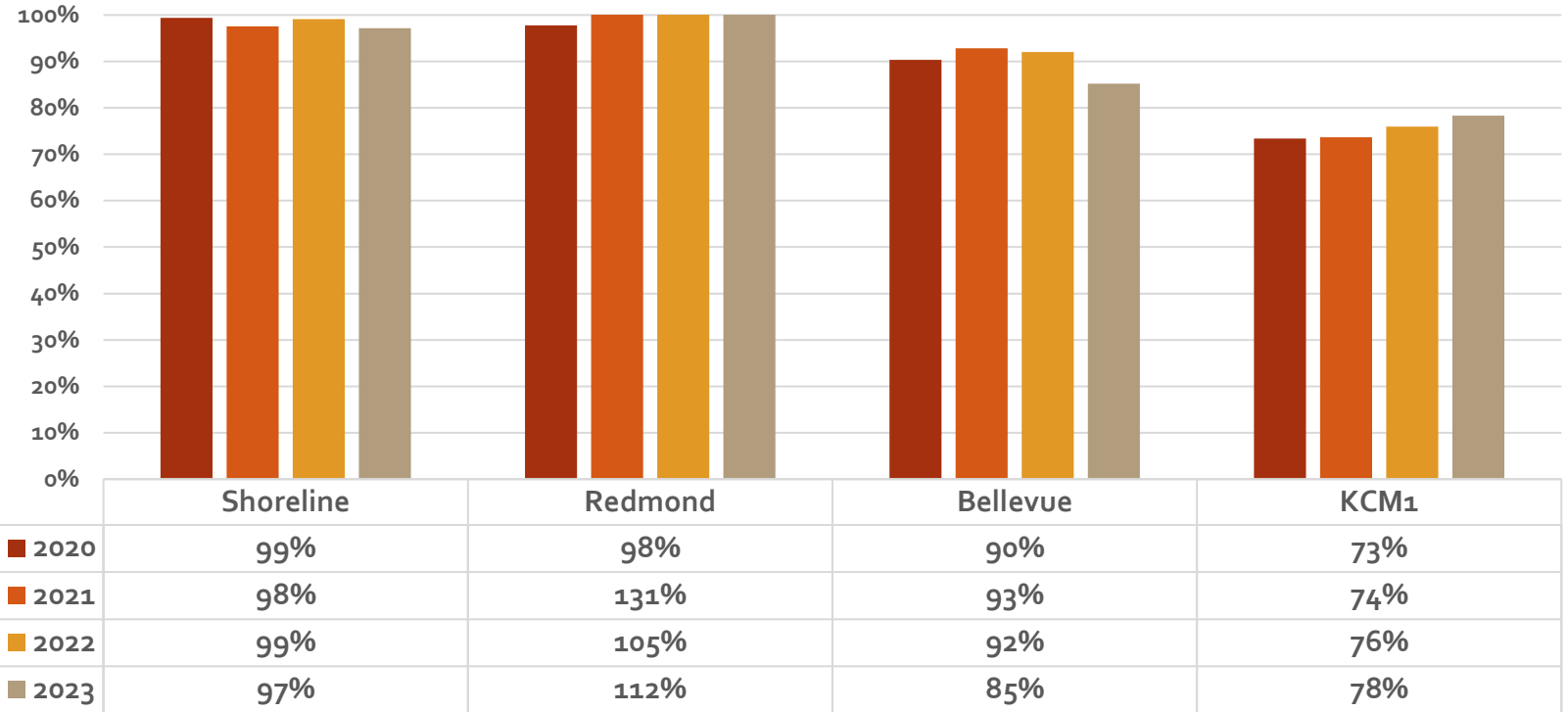


# ALS SUPERVISORY ALLOCATION AVERAGE COSTS BY AGENCY (2022)

# of Units	3	3	4	9
	Shoreline	NEKCM <sub>1</sub>	Bellevue	KCM <sub>1</sub>
MSO Wages & Benefits	347,911	267,879	242,209	126,687
ALS Chief & Support staff	173,020	278,209	187,346	211,300
IT/Communications	4,024	-	21,169	16,027
Vehicle & Facility costs	4,856	21	18,359	25,382
Admin, Training, etc	1,322	723	21,358	2,705
Indirect / Overhead	21,843	39,100	23,115	34,239
<b>TOTAL</b>	<b>552,976</b>	<b>585,931</b>	<b>513,555</b>	<b>416,340</b>

# Comparison – Actuals to Allocation

## Supervisory/Program Allocation % of Allocation Spent by Year



YEAR	Allocation	Avg per unit	Avg % of Allocation
2020	\$509,824	\$432,883	85%
2021	\$520,071	\$471,050	91%
2022	\$557,984	\$485,158	87%
2023	\$616,796	\$491,999	80%

# ALS Supervisory/ Program Allocation

- Due to type of costs in allocation, allocation not meeting needs of smaller agencies
- Fall 2023 ALS Working Group meeting recommended reviewing distribution of costs
- Proposal was to distribute portion of costs by agency and portion of costs by unit

# PROPOSED DISTRIBUTION OF SUPERVISORY ALLOCATION

**Program/Supv Allocation**      2022  
 Per Unit                              \$557,984  
 Total (19 units)                      \$10,601,696

% Agency	33%	\$3,498,560	\$874,640
% Unit	67%	\$7,103,136	\$373,849

	Units	Agency	Unit	TOTAL	Actual	Difference	% spent
Shoreline	3	\$874,640	\$1,121,548	\$1,996,188	\$1,658,927	\$337,261	83%
NEKCM1	3	\$874,640	\$1,121,548	\$1,996,188	\$1,757,794	\$238,394	88%
Bellevue	4	\$874,640	\$1,495,397	\$2,370,037	\$2,054,219	\$315,818	87%
KCM1	9	\$874,640	\$3,364,644	\$4,239,283	\$3,747,059	\$492,225	88%
<b>TOTAL</b>	<b>19</b>	<b>\$3,498,560</b>	<b>\$7,103,136</b>	<b>\$10,601,696</b>	<b>\$9,217,999</b>	<b>\$1,383,697</b>	<b>87%</b>

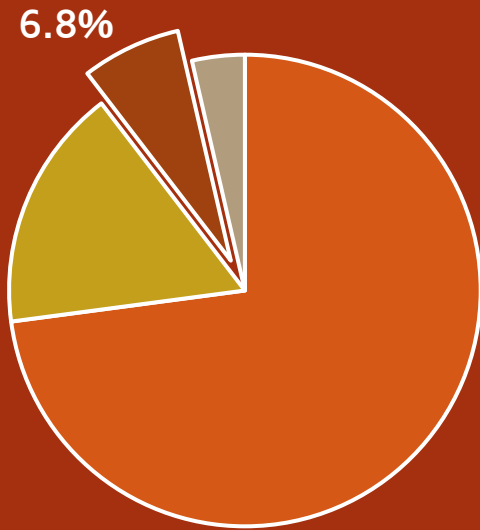


# ALS Supervisory/ Program Allocation

- Covers management of ALS services for each agency
- Separate allocation established in 2020 levy
- Concept allows separate focus on resources needed to manage programs
- Due to costs included, new distribution recommended

Questions / Discussion

# ALS Systems Allocation



## SYSTEMS ALLOCATION (~7% of costs)

*costs that vary significantly (between providers, between years)*

Agencies reimbursed for actual costs, budget managed as an overall pool to cover any costs above the allocation

### Areas included:

- Paramedic Students
- Medical Direction
- Dispatch
- Regional Paramedic CME
- Whole Blood

➤ Review focus: estimated number of students, areas included

System (in thousands)*k	Per Unit	Total
2022 Budgeted	\$237k	\$4,512k
2022 Adjusted Actuals	\$199k	\$3,697k

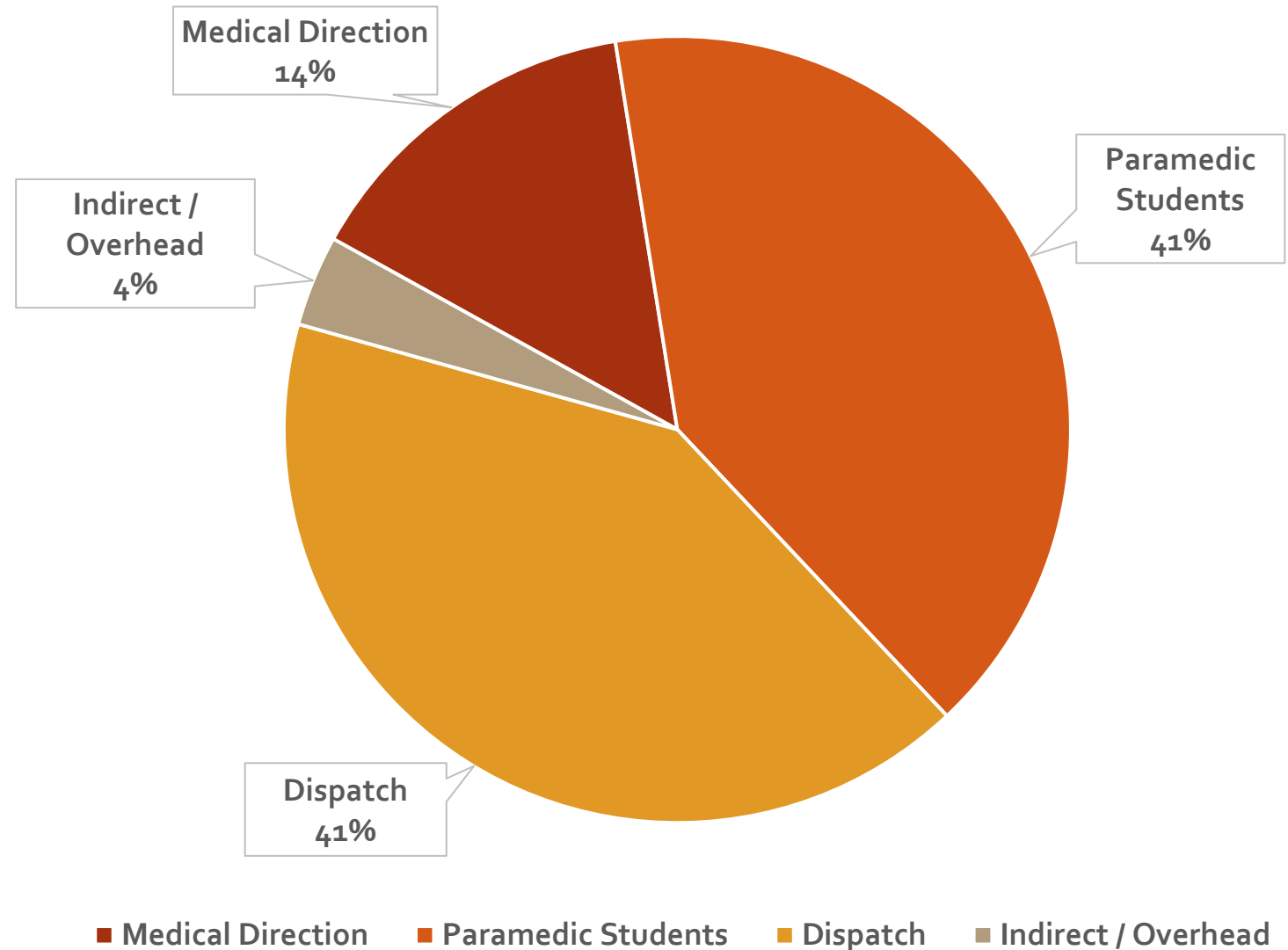
*Does not include service to FD/Skykomish area*

# ALS SYSTEM COSTS BY AGENCY (2022)

# of Units	3	3	4	9	19
	Shoreline	NEKCM <sub>1</sub>	Bellevue	KCM <sub>1</sub>	TOTAL
Paramedic Students	\$326,620	\$252,626	\$307,614	\$610,767	\$1,497,627
Medical Direction	\$87,060	\$72,500	\$88,500	\$285,194	\$533,254
Dispatch	\$270,544	\$124,944	\$366,411	\$766,524	\$1,528,423
Indirect / Overhead	\$14,488	\$24,717	\$17,337	\$81,597	\$138,139
<b>TOTAL</b>	<b>\$698,712</b>	<b>\$474,787</b>	<b>\$779,862</b>	<b>\$1,744,083</b>	<b>\$3,697,444</b>

# ALS Systems Allocation

2022 by cost categories



# ALS SYSTEM ALLOCATION

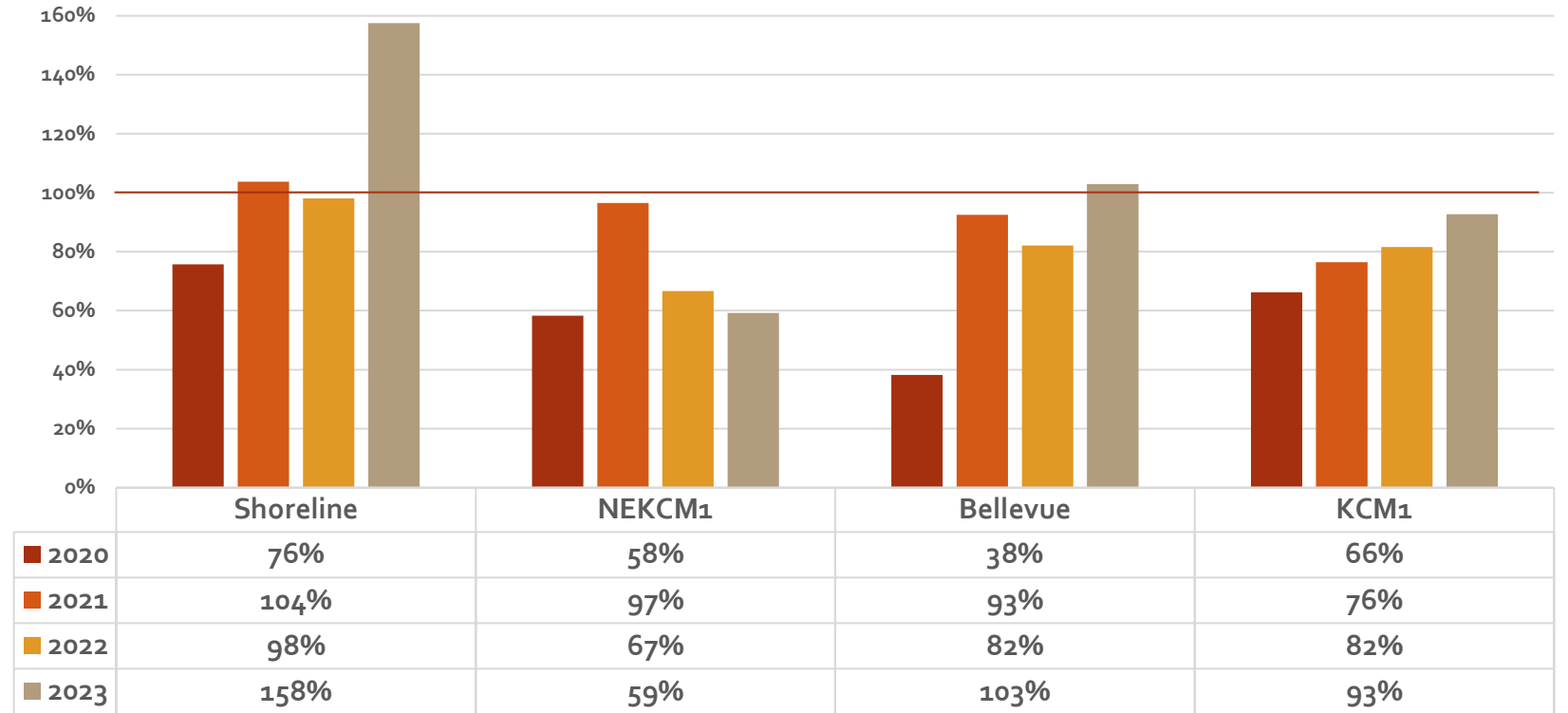
## AVERAGE COSTS BY AGENCY (2022)

# of Units	3	3	4	9
	Shoreline	NEKCM <sub>1</sub>	Bellevue	KCM <sub>1</sub>
Paramedic Students	\$108,873	\$84,209	\$76,904	\$67,863
Medical Direction	\$29,020	\$24,167	\$22,125	\$31,688
Dispatch	\$90,181	\$41,648	\$91,603	\$85,169
Indirect / Overhead	\$4,829	\$8,239	\$4,334	\$9,066
<b>TOTAL</b>	<b>\$232,904</b>	<b>\$158,262</b>	<b>\$194,966</b>	<b>\$193,787</b>

2022 did not include Regional Paramedic CME or Whole Blood Costs

# Comparison – Actuals to Allocation

## System Allocation % of Allocation Spent by Year



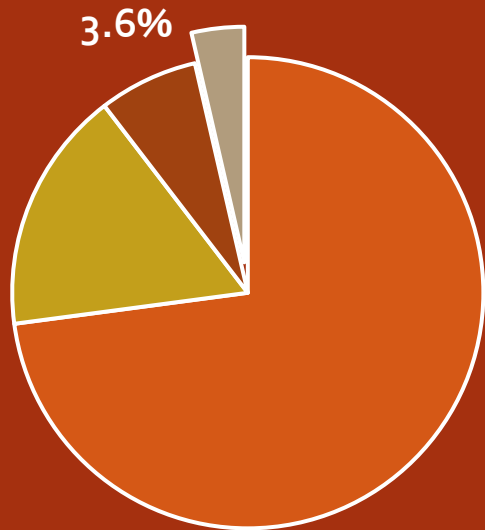
YEAR	Allocation	Avg per unit	Avg % of Allocation
2020	\$216,995	\$131,413	61%
2021	\$221,357	\$193,253	87%
2022	\$237,494	\$194,602	82%
2023	\$262,526	\$262,069	100%

# ALS System Allocation

- Covers costs that vary by agency or year
- Concept reimburses agencies for eligible costs; Unused funds in pool to cover costs over allocation
- Allocation is functioning as planned
- Recommend adjusting allocation to accommodate higher number of students

Questions / Discussion

# ALS Equipment Allocation



## EQUIPMENT ALLOCATION (~4% of costs)

*costs related to equipment needed to provide services*

Covers expenses for equipment with lifespan of more than 1 year

- Medic Units (patient transport); primary and back-up
- ALS defibrillators/monitors, medical equipment & stretchers
- Radios, Communications Equipment, Information Technology
- Staff vehicles
- Can cover costs of other equipment with lifespan of more than 1 year

➤ Review: includes equipment, costs & lifespan

Equipment <i>(in thousands)</i>	Per Unit	Total
2022 Budgeted	\$105k	\$1,995k



# Required ALS Equipment 2023 Analysis

Per Unit Allocation	Est Per Unit Cost
\$123,958	\$130,262

Required Equipment	Estimated 2023 Cost	Average Lifespan (years)	Total Needed Per Year Per Unit
Medic Vehicles	\$314,090	8.0	\$78,523
Monitor/Defibrillators	\$44,214	8.8	\$16,668
Mobile Data Computers	\$7,807	5.0	\$4,164
Field Support Vehicle (MSO)	\$71,052	10.0	\$2,368
Support Vehicles	\$58,992	10.0	\$5,899
Stretchers	\$65,249	7.0	\$18,643
Radios	\$8,016	11.4	\$3,998
<b>TOTAL</b>	<b>\$569,419</b>		<b>\$130,262</b>

# ALS Equipment Balances

## EQUIPMENT BALANCES

Covers costs *in excess* of annual allocation

- Allows agencies to save for big ticket items (i.e., Medic Unit)
- Allows agencies to cover equipment needs **not included on required list**
- Subgroup Review: includes required equipment types, costs, and lifespans
- Agencies appear to have sufficient balances to cover equipment not included on required list

Equipment Balance	2019 Actual	2025 Forecasted	2031 Forecasted
Total Balance	\$5,281,578	\$3,852,744	\$6,824,875
Average Per Unit Balance	\$277,978	\$202,776	\$359,204

# ALS Reserves & Contingencies REVIEW

## RESERVES

### Capacity Reserves

- Temporary Capacity Increases
- Facility renovations
- Placeholder for a potential new unit

### ALS Equipment Reserve

- Covers unplanned equipment costs including new equipment, decreased lifespans /need for early replacement, and increased costs

## CONTINGENCIES

- To cover significant increases in operating costs that can't be covered via ALS allocations or program balances

# ALS Reserves & Contingencies

## Used to cover unanticipated and one-time costs

- Before applying to use reserves, agencies are required to evaluate if expense can be covered by other funds
  - Requests are evaluated for compliance with EMS Financial Policies
  - Use requires review and recommendation and review by EMS Advisory Committee (EMSAC) Financial Subcommittee and EMSAC
- *Reserves above the required level at the end of levy can be used as millage reduction – to “buy down” or reduce next levy rate*

# CAPACITY RESERVES

*Placeholder for potential new unit during 2026-2031 levy*

**Estimated Value -- \$15.3 million**

# of Units		.165	.5	.5	.665	1.0	
	2026	2027	2028	2029	2030	2031	2026-2031
Unit Cost		\$475,775	\$1,491,628	\$1,542,493	\$2,121,882	\$3,300,563	\$8,932,341
Supervisory Cost		\$119,940	\$376,030	\$388,852	\$534,912	\$832,050	\$2,251,783
New Students	\$306,104	\$739,169		\$338,924	\$817,947		\$2,202,144
Equipment (first year)		\$1,116,983					\$1,116,983
Equipment allocation			\$147,473	\$150,850	\$154,169	\$157,530	\$610,022
System allocation *		\$12,762	\$40,012	\$41,377	\$56,919	\$88,536	\$239,606
<b>TOTAL</b>	<b>\$306,104</b>	<b>\$2,451,867</b>	<b>\$2,055,143</b>	<b>\$2,462,495</b>	<b>\$3,685,829</b>	<b>\$4,378,679</b>	<b>\$15,352,879</b>

*\*System allocation: since students costed separately, assumes lower allocation*

# ALS Capacity Reserves

*Supports capacity & locations needs*

Levy Period	Placeholder for potential New Unit	Value
2020-2025	Not used in 2020-2025 levy (funds to “buy down” levy rate)	\$11.6 m
2026-2031	New Proposal	\$15.4 m

Levy Period	Temporary capacity increases & facility renovations	Value
2020-2025	Used for both temporary capacity & facilities	\$1.2 m
2026-2031	If Increased with Inflation	\$1.6 m

- Adjustments to status quo updates?
- Anticipated need for updated/moved facilities or temporary capacity increases?

# ALS Equipment Reserves

*Supports ALS equipment costs not included or accommodated within equipment allocation*

Levy Period	Reserves for Equipment Needs	Value
2020-2025	Not used	\$1.0 m
2026-2031	If Inflated	\$1.3 m

*Concern: uncertainty on costs; potential added equipment*

# Contingencies

(funded per year)

- Can cover measurable ALS increases in operating costs that cannot be covered by ALS allocations or program balances.
- Can also cover unplanned expenses related to regional services and initiatives.

Levy Period	Contingencies	Value
2020-2025	Used for ALS Support of BLS Activities*	\$6.0 m
2026-2031	If increased by inflation	\$7.8 m

*\*Other added expenses approved, but have been able to be covered by Regional Services including support for Initial Paramedic Training at Harborview, increased Initial EMT Training classes*

➤ Leave at 2020-2025 level or inflate?