

Good afternoon,

My name is Cody Marsh. I live in the town of Cambridge where I have been a selectboard member since March of 2019. My professional background is not in the EMS industry at all, but in the construction industry where I am a VT licensed professional engineer, building some of our state's roads, bridges and other infrastructure.

I am here today to share my perspective as a selectboard member in the Town of Cambridge where we have been forced to deal with many of these challenges facing the EMS industry on our own. I knew nothing about the EMS world when I was first elected, and I still have a lot to learn. But I have learned a great deal these past 5 years.

Cambridge Rescue Squad is a 501-3c Non-Profit organization that receives funding from the Town of Cambridge. Their primary coverage area is the Town of Cambridge and a portion of the Town of Fletcher. In 2019, the Town of Cambridge appropriated \$135,000 to Cambridge Rescue. In 2023, that number had risen to \$233,950. This year, they are asking for \$476,000. More than double last year's amount. That equates to a per capita cost of about \$125/resident. As a frame of reference, our neighboring towns of Fairfax, Johnson, Morristown and Stowe pay \$23.84, \$41.57, \$102.99, \$135.35, per capita respectively (based on FY24 budget numbers according to each town's annual report).

The reason for this massive increase is because Cambridge Rescue can no longer rely on volunteers to fill the coverage gaps. During the winter of 2022/2023, Cambridge Rescue was MISSING 60% of their calls, mostly due to no staff coverage. The only way they could correct this issue was to hire full-time personnel to fill these gaps in coverage. Once they had a full-time staff, they were able to make 96% of their calls for the remainder of 2023. Meanwhile, our neighboring EMS agency Fairfax Rescue offers much lower rates per capita to their residents, because they are able to depend on their large group of volunteers to make a lot of their calls which greatly reduces the burden to their taxpayers.

Cambridge Rescue also collects income from service billing. In 2019, they collected roughly \$120,000 in revenue from their 391 calls. In 2023, they collected \$131,000 from their 467 calls. This averages to only, in rough figures, \$300/call in revenue. Which means that every time that ambulance leaves the building, it loses money. Why is this? A large majority of calls are not billed. In the EMS industry, if patients are not transported, there is nothing to bill. Over a 4-year period from 1/1/2019, to 12/31/2022 Cambridge Rescue responded to 1,669 calls (an average of 417 per year). Of those, 49% were billable calls. That means, on average, roughly half of the 9-1-1 calls in Cambridge are billable. To make matters even worse, is when you consider that 2/3 of those billable calls are Medicare or Medicaid patients. The rates of reimbursement for these programs are not even close to meeting the costs that EMS agencies are having to expend. With the average age of Vermont's population rising, it is not hard to think that the percentage of Medicare patients will be on the rise as well.

That is what is happening specifically in my town. I have seen many reports and news articles in other towns across VT that are also seeing the very same issues regarding their local rescue

services' financial instability. When I read the Regional Emergency Medical Services Coordination Study 2023 Report to the Legislature, I was reassured that the very first study finding was the "Cost of Service and Existing Funding Models". But upon reading the recommendations for this section, I was admittedly disappointed. The recommendations did not appear to address this financial instability.

The first recommendation was to *Establish and Enforce EMS Service Performance Requirements*. I am curious to know how the Department of Health thinks that enforcing service performance will help address the costs of service and current funding models. I was under the impression that the Department of Health was already monitoring the performance of Vermont EMS agencies. What would enforcement even look like?

The second recommendation was to *Incentivize Regional Coordination in those areas of the state at risk of losing access to high-quality pre-hospital care*. I would like to learn more what the department means by "incentive". Would this be a monetary incentive? Monitored and enforced by whom? As I stated earlier, I work in construction. Not only is coordination of construction companies frowned upon, it is downright illegal with very strict price fixing and bid rigging laws. We are often competing for the same contracts, equipment, supplies and labor. How is EMS any different? They are also competing for coverage areas, staff, equipment, etc. What is the incentive to coordinate with your competition? When Cambridge Rescue was struggling at its most desperate hour, two of our neighboring EMS agencies filed complaints against them to the Department of Health. It has taken several months to try and mend these relationships and even today they are still a bit strained. As you can imagine, this has certainly made regional coordination a challenge in our region.

The third recommendation is to *Provide EMS Services with Technical Assistance*. I do happen to agree with this recommendation. Smaller agencies have very limited resources at their disposal. Cambridge Rescue is certainly in that category. At times, they could utilize a part time Human Resource position, a part time financial advisor, and a part time IT technician to name a few. I am sure there is probably more. I could see a scenario where these positions could be full-time positions at the state level and then made available for all EMS agencies to utilize on a part time basis as a shared resource.

The remaining three recommendations all revolve around workforce development, and retention, which are certainly issues facing the EMS industry, but are not something I can confidently speak to today.

The report does acknowledge a current proposed piece of legislation, that is looking to increase the reimbursement rates for Medicaid patients as well as adding reimbursements for Medicaid patients that are not transported. Both are welcome improvements, in my opinion, and I would encourage all state legislators to vote in favor of these changes. I do feel strongly that neither change will "solve" the financial instability that we face. In speaking with Cambridge Rescue's billing agent, Jeffrey Spencer at MBS, LLC, we would anticipate the no transport change for Medicaid patients may add approximately \$8,000 a year in revenue to Cambridge Rescue

(assuming that reimbursement rates would be at the BLS emergency rate of around \$400). This is not a lot of money but is certainly better than nothing.

So where does this leave us? I will pose the same question to you all, that I am asking my fellow taxpayers here in Cambridge; What sort of value do you place on your local rescue squad? I think we can all agree that when we dial 9-1-1 that we expect a qualified EMT, AEMT or paramedic to show up, quickly, and help us in our time of need. This makes EMS an *essential* service. Do we really want to continue to ignore the financial instability that the EMS industry is facing and has been facing for many years now? The report by the Department of Health refers to the industry as being “under great stress” but “not in crisis”. Respectfully I disagree. I think the “crisis” is only being prevented by the hundreds, if not thousands of volunteers and municipal taxpayers who have been filling the gap every year and are being asked to fill a wider and wider gap with each ensuing year. This needs to change.

I will end my statement with a feel-good story. Maybe some of you saw a recent news story here in Cambridge, about a VT State Trooper who dove into a freezing cold pond to save a little girl from drowning. That trooper was on the scene within mere minutes of the 9-1-1 call going out. She undoubtedly saved this little girl’s life. A Cambridge Rescue ambulance pulled into the scene right behind the trooper. Cambridge Rescue transported her to the hospital and provided the care she so desperately needed. That little girl is alive today thanks in large part to the heroic actions of the VSP troopers and the quick response by Cambridge Rescue. Our first responders do so much for us, it is time that we start doing more for them.

Thank you for your time.

Cody Marsh, PE

Cambridge Selectboard Member