

January 30, 2024

IMPORTANT UPDATE

On January 29, 2024 the Morrow County Health District Board of Directors approved an ambulance service contract, which was drafted by legal counsel based on similar contracts used in other parts of Oregon. This service contract was drafted after multiple discussions with Morrow County about the need for a service contract, revised ASA Plan, and revised Ordinance. MCHD agreed to pay for legal counsel to draft a service contract while Morrow County took the lead on amending the ASA Plan and Ordinance.

On January 30, 2024, MCHD provided the ambulance service contract to Morrow County with a request that they give the matter prompt consideration.

Executing this contract would resolve the 90-day notice to discontinue ambulance services and would allow MCHD to continue to provide the same level of ambulance service to the entire county.

The ambulance service contract does require Morrow County to cover <u>actual losses</u> incurred by MCHD in the provision of ambulance services. It is common in the State of Oregon for counties to pay ambulance service providers because it is difficult to break even providing ambulance service. County leadership has acknowledged this in the past and agreed a service agreement is the most appropriate way to address payment for services, which would be relevant to any service provider.

The costs to operate an ambulance service are fixed, meaning it costs about the same to pay for ambulances, equipment, supplies, and personnel regardless of how many runs occur. MCHD receives cost-based reimbursement from Medicare and Medicaid, which means that MCHD is reimbursed at a much higher rate than other providers. MCHD is the only entity in the area that is eligible for this type of reimbursement. MCHD's ability to bring Federal and State dollars to the community to help subsidize the ambulance service makes MCHD the most fiscally responsible choice of ambulance service providers.

We strongly believe that executing this service agreement is in the best interests of Morrow County residents. Questions can be directed to <u>community@mocohd.org</u>.

A copy of the ambulance service contract is available here: <u>https://www.morrowcountyhealthdistrict.org/public-information-concerning-ambulance-services-in-morrow-</u> <u>county</u>