

**AMBULANCE AUDIT COMMITTEE
MEETING #2**

**CITY OF LOCKPORT, NY
NOVEMBER 20, 2023**

Welcome to the City of Lockport's Ambulance Audit Committee – Meeting #2

Meeting Members

Members: Chris McClune- Resident, Josh Wolck- Union, Charles Morello- Fire Board, Luke Kantor- Common Council, Tom Lupo- Retired- Medina Chief/Lockport Asst. Chief

Appointees- Ex-Officio-Tim Russo- Director of Finance, Luca Quagliano-Chief of Fire

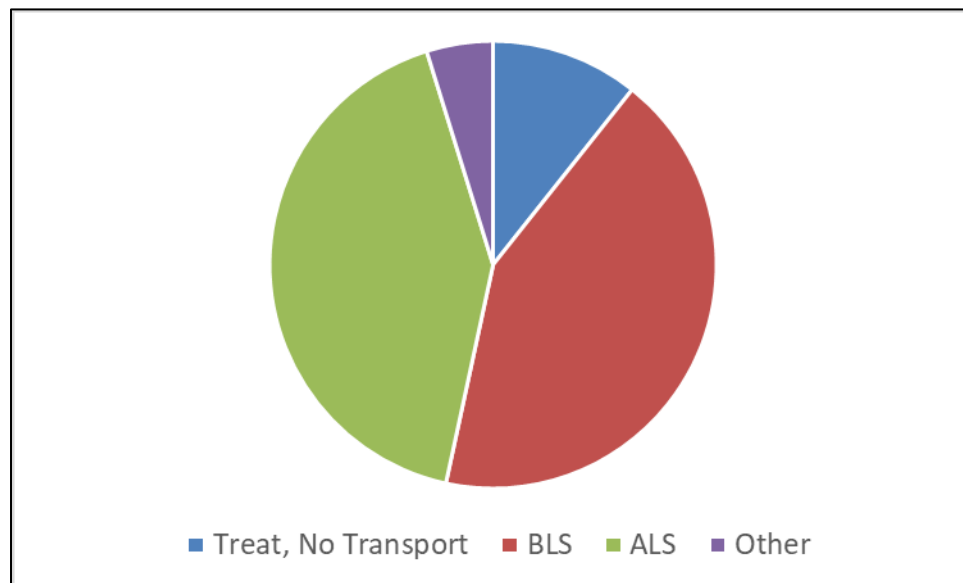
Agenda for Today:

- 1) Call Metrics and Demographics**
- 2) Experienced Seasonality**
- 3) Impact of Hospital Opening**
- 4) Revenues and Cash Received**
- 5) Expenses Experienced and Projected**
- 6) Financial Net Impact**

1) Call Metrics and Demographics

- From 2/14/2023 to 10/31/2023, the Fire Department has responded to 1,872 calls, an average of 7.2 per day. If annualized to a full year, this would amount to a total of 2,628 calls per year.
- Of these calls, 1,309 have been billed. Notably, this figure does not include Medicaid accounts, which has experienced unfortunate application delays. Of the total calls (1,872), 733 accounts have a status of “Waiting for Medicaid Provider Number”, however, *around* 35% of these have billing associated to them. Assuming that billing would occur for the remaining ~65% of these accounts once the City is approved, this would increase the total billed to 1,785, or 95% of calls. It is unclear to what extent back-billing may occur on these accounts, however.
- 11% of billed calls were associated to Treat with no Transport service, 43% associated to basic life support, 42% advanced life support, and 5% other.

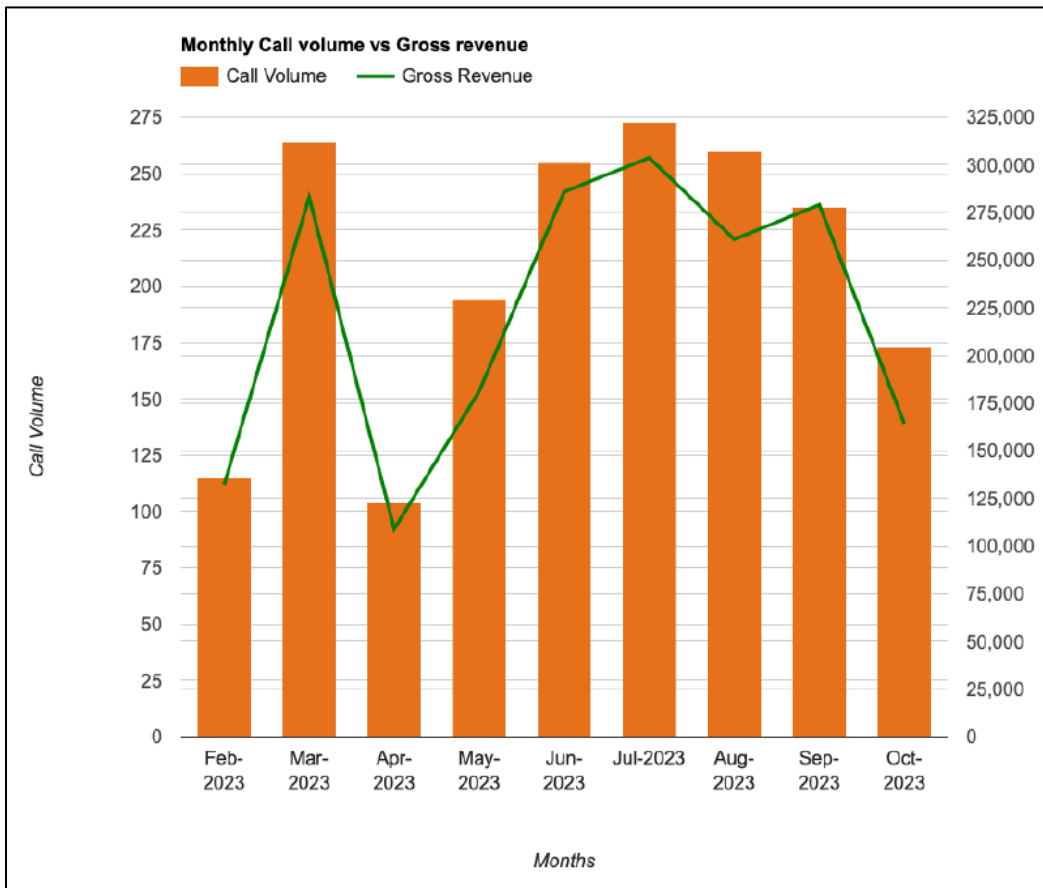
Exhibit 1. Distribution of Calls by Charge Type, FY 2023 YTD



2) Seasonality

- It appears that there will be some degree of seasonality with occurring with City services. Exhibit 2 displays monthly call volume per month so far this year.

Exhibit 2. Call Volume and Gross Charge Revenue, FY 2023 YTD



3) Impact of New Hospital Opening

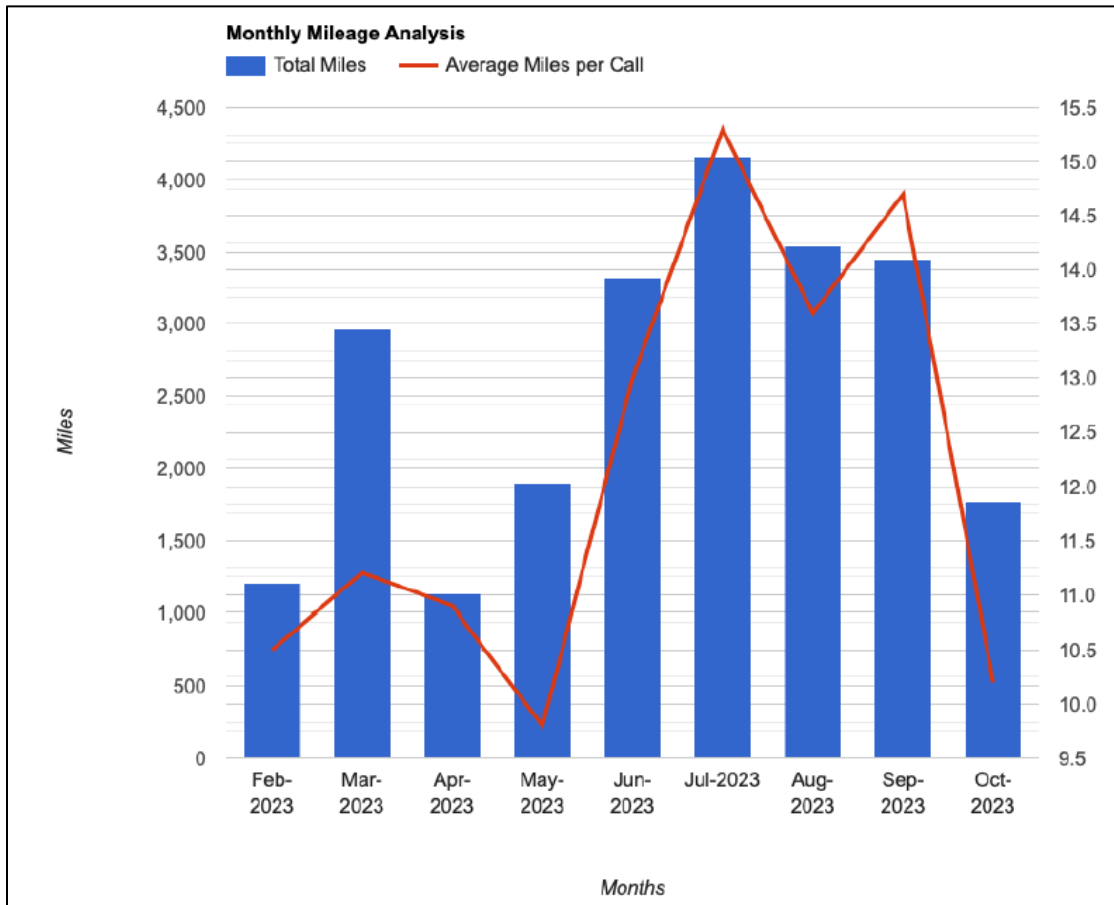
- The new hospital opening will have an impact on two main components, the costs associated to out-of-town transport overtime as well as mileage submitted per claim.
- Out-of-town transport overtime is recorded and detailed in Exhibit 3, below. The average amount of out of town until October 7 was 113 hours at a cost of \$5,726 per week. Since October 8, this has dropped to an average of 53 hours at a cost of \$2,781.

Exhibit 3. Weekly Out of Town Transport Overtime Detail, FY 2023 YTD

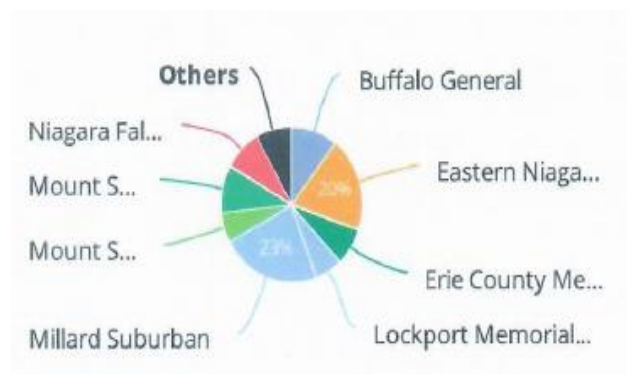
DATE RANGE	HOURS USED	COST	DATE RANGE	HOURS USED	COST
2/14/23 - 2/22/23	91.5	\$ 4,335	7/2/23-7/8/23	124	\$ 6,418
2/22/23 - 2/28-23	107.75	\$ 4,825	7/9/23-7/15/23	162.5	\$ 8,024
3/1/23 - 3/4/23	34.5	\$ 1,557	7/16-7/22	183.5	\$ 8,736
3/5/23 - 3/11/23	116	\$ 5,359	47322	147.25	\$ 6,371
3/12/23 - 3/18/23	108	\$ 4,910	7/30-8/5	103.5	\$ 5,524
3/19/23 - 3/25/23	89.75	\$ 4,451	41127	113	\$ 6,645
3/26/23 - 4/1/23	121.75	\$ 6,426	8/13-8/19	142	\$ 7,970
4/2/23 - 4/8/23	71.25	\$ 3,675	8/20-8/26	143.5	\$ 7,261
4/9/23 - 4/15/23	113.75	\$ 3,482	8/27 -9/2	108	\$ 5,002
4/16/23 - 4/22/23	89.5	\$ 4,769	9/3- 9/9	142	\$ 7,097
4/23/23 - 4/29/23	92.75	\$ 5,139	9/10 - 9/16	117.5	\$ 6,148
4/30/23 - 5/6/23	123	\$ 6,608	9/17-9/23	131	\$ 7,312
5/7/23 - 5/13/23	72.75	\$ 3,991	9/24 - 9/30	117	\$ 6,519
5/14/23 - 5/20/23	92.25	\$ 4,736	10/1 - 10/7	83.75	\$ 4,458
5/21/23 - 5/27/23	103.5	\$ 5,840	10/8 - 10/14	48.5	\$ 2,333
5/28/23 - 6/3/23	98	\$ 5,248	10/15-10/21	50.25	\$ 2,906
6/4/23-6/10/23	125.25	\$ 6,385	10/22-10/28	61.25	\$ 3,056
6/11/23-6/17/23	113	\$ 5,649	10/29-11/4	51.75	\$ 2,831
6/18/23-6/24/23	134	\$ 6,667	TOTAL	4074.75	\$ 205,826
6/25/23-7/1/23	146.25	\$ 7,165			

- Monthly mileage has declined from an average high over 15 miles per call in July to just over 10 in October. Total monthly miles declined by over 50% during this same period.

Exhibit 4. Monthly Mileage



- The graph to the right shows the distribution of destinations since the program began. The same graph for data only from October 10th shows the local hospital taking 55% of our volume.



4) Revenue and Cash Received

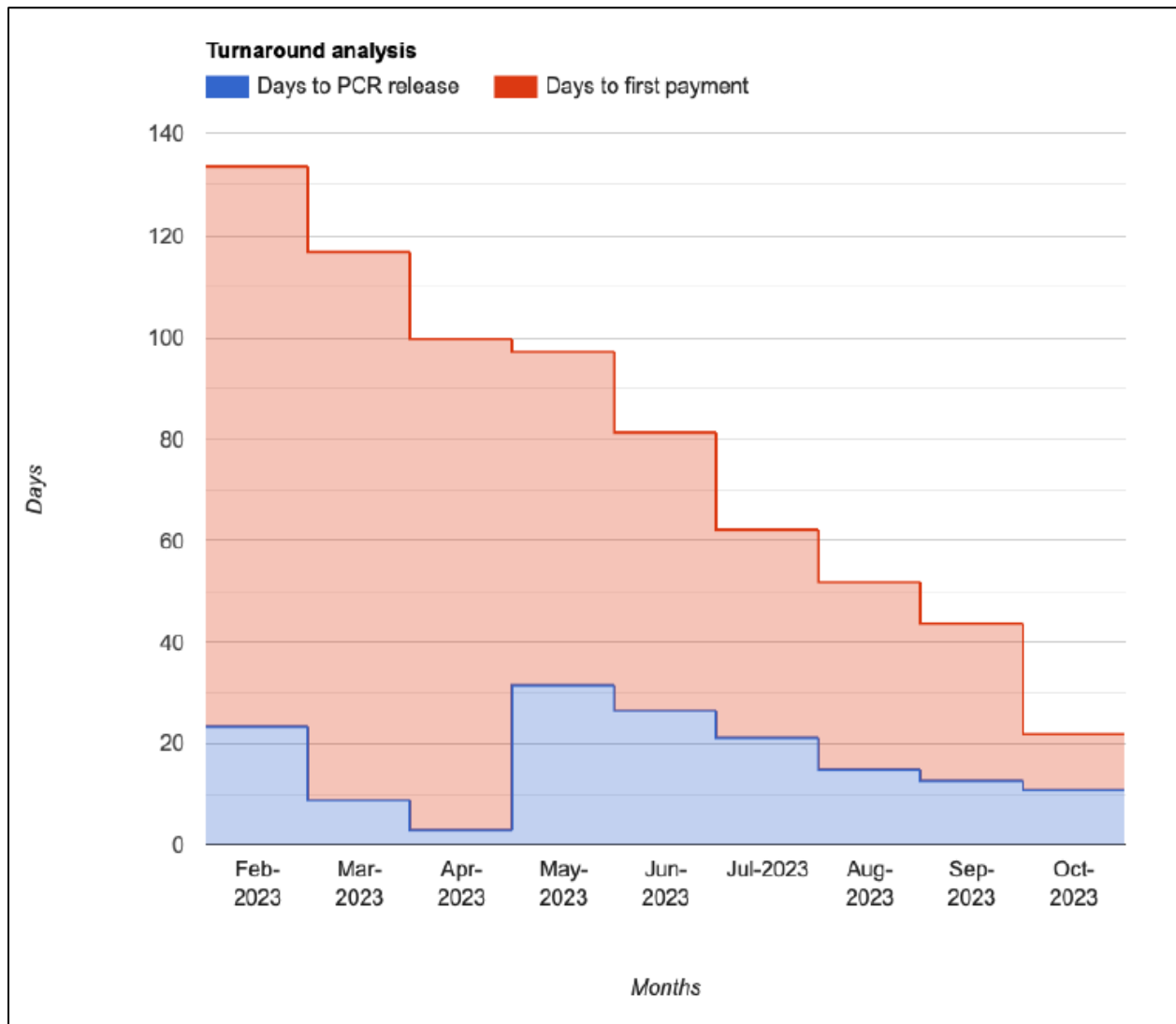
- Services have generated \$1,317,919 in net billable charges from the period of 2/14 to 10/31. This figure does not include billings for Medicaid claims.
- While billing is significant, cash collected only amounts to \$436,732. Open receivables total \$875,612. Collections in the last three months (August through November), however, each amounted to over \$100,000, alluding to a potential increase of monthly cash collection now that Medicare is established.
- Total anticipated revenue this year is estimated to be \$690,127, and is based on a simple cash flow estimate detailed below. Notice that January and February 2024 collections contribute towards the FY 2023 Budget due to the accounting required for governments. As a result, the amount of revenue recorded in January and February of 2024 for the 2024 budget will be significantly less. This is offset by then recording early 2025 revenue into the 2024 budget.

Exhibit 5. Anticipated Revenue, FY 2023 and FY 2024

January 2023	\$ -	January 2024	\$ 17,618
February 2023	\$ -	February 2024	\$ 32,618
March 2023	\$ -	March 2024	\$ 82,618
April 2023	\$ 9,742	April 2024	\$ 82,618
May 2023	\$ 42,796	May 2024	\$ 82,618
June 2023	\$ 24,102	June 2024	\$ 82,618
July 2023	\$ 8,894	July 2024	\$ 82,618
August 2023	\$ 112,126	August 2024	\$ 82,618
September 2023	\$ 106,502	September 2024	\$ 82,618
October 2023	\$ 100,965	October 2024	\$ 82,618
<i>November 2023 Anticipated</i>	\$ 85,000	November 2024	\$ 82,618
<i>December 2023 Anticipated</i>	\$ 85,000	December 2024	\$ 82,618
<i>January 2024 Anticipated</i>	\$ 65,000	January 2025	\$ 65,000
<i>February 2024 Anticipated</i>	\$ 50,000	February 2025	\$ 50,000
Total FY 2023 GL	\$ 690,127	Total FY 2024 GL	\$ 991,420

- A favorable trend occurring with our data is that billing and collections are occurring at faster rates over time. Exhibit 5 illustrates the average days to PCR release as well as days to first payment which has consistently decreased since operations began. This hints at a hopefully consistent revenue cash flow once Medicaid is realized.

Exhibit 5. Anticipated Revenue, FY 2023 and FY 2024



5) Expenditures and Spending

- As of 10/31, ambulance operations has spent \$904,514 of its \$1,116,400 budget. It is anticipated that ambulance services will cost a total of \$1,069,070 by the end of the year.

Exhibit 6. Ambulance Expenditures, Actual and Projected, FY 2023

Account Number	Budgeted Allocation	YTD Amount	Projected Total Year	Estimated Surplus / (Deficit)
51010 Full Time Wages	\$ 46,603	\$ 3,718	\$ 4,461	\$ 42,142
51100-OUT Overtime Out of Town Transport	\$ 114,093	\$ 205,826	\$ 228,075	\$ (113,982)
52010 Office Equipment	\$ -	\$ 470	\$ 470	\$ (470)
52030 Motor Vehicle Equipment*	\$ 415,475	\$ 356,883	\$ 415,475	\$ -
52070 Public Safety Equipment*	\$ 56,917	\$ 54,696	\$ 56,917	\$ -
54050 Equip. Maintenance/Repair	\$ 20,306	\$ 119	\$ 5,000	\$ 15,306
54055 Professional Services	\$ 178,219	\$ 44,181	\$ 65,000	\$ 113,219
54085 Clothing and Uniforms	\$ 16,380	\$ -	\$ -	\$ 16,380
54115 Computer Licenses & Software	\$ 8,100	\$ -	\$ -	\$ 8,100
54500 Medical Fees and Services	\$ -	\$ 44,569	\$ 53,483	\$ (53,483)
54515 Special Supplies	\$ 99,000	\$ 34,499	\$ 41,398	\$ 57,602
58010 FICA	\$ 12,293	\$ 16,030	\$ 17,789	\$ (5,496)
58020 Workers Compensation	\$ 3,586	\$ -	\$ -	\$ 3,586
58040 Hospital & Medical Insurance	\$ 20,954	\$ -	\$ -	\$ 20,954
58050 Retirement	\$ 39,354	\$ 62,491	\$ 69,315	\$ (29,961)
(Garage Vehicle Maintenance Estimated)	\$ 2,500	\$ 48,050	\$ 64,067	\$ (61,567)
(City Wide Fuel Costs)	\$ 80,000	\$ 30,581	\$ 45,000	\$ 35,000
(City Wide Insurance Costs Estimated)	\$ 2,620	\$ 2,400	\$ 2,620	\$ -
Grand Totals:	\$ 1,116,400	\$ 904,514	\$ 1,069,070	\$ 47,330

- Notably, this figure is inclusive of significant one-time costs, such as the recently approved \$256k ambulance (via resolution 091323.4). Total one-time costs are estimated to cost \$472,392 by year-end.

Exhibit 7. Ambulance Expenditures, Actual and Projected, FY 2023

	Budgeted Allocation	YTD Amount	Projected Total Year
One Time Costs*	\$ 472,392	\$ 411,579	\$ 472,392
Operating Costs	\$ 644,008	\$ 492,935	\$ 596,678
Total	\$ 1,116,400	\$ 904,514	\$ 1,069,070

6) Financial Net Impact

- With the decrease in revenue posted mid-year in the budget to account for long-term impacts of Medicare / Medicaid delays as well as the increase of one-time costs such as equipment and an additional ambulance, the budgeted net impact of ambulance operations for the FY 2023 budget is a deficit of \$566,293.
- Given favorable variance with overall projected expenditures as well as revenue, it will not likely have a year-end impact net as negative. Including one-time costs, operations are anticipated to have a deficit of \$378,943 at year-end. This is shown in Exhibit 8 below.

Exhibit 8. Net Impact of Ambulance, 10/31 and Projected 12/31/23

<u>2/14 to 10/31 Net Impact:</u>	<u>Actual</u>	<u>Excluding One-Time</u>
Revenue	\$ 436,732	\$ 436,732
Expenses	\$ 904,514	\$ 492,935
Surplus / (Deficit)	\$ (467,782)	\$ (56,203)

<u>2/14 to 12/31 Net Impact:</u>	<u>Anticipated</u>	<u>Excluding One-Time</u>
Revenue	\$ 690,127	\$ 690,127
Expenses	\$ 1,069,070	\$ 596,678
Surplus / (Deficit)	\$ (378,943)	\$ 93,449

- If you wanted to assume a perspective without the one-time equipment costs, the projected year-end deficit would then be a surplus of \$93,449.