

Request For Board Action

REFERRED TO BOARD: February 2, 2015

AGENDA ITEM NO: 4

ORIGINATING DEPARTMENT: Elected Officials

SUBJECT: Consideration of a Resolution Committing the Village to Rolling Back Certain Ambulance Fees if the April Referendum Passes

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

Subsequent to the failure of the referendum question for the approval of an ambulance tax on real property, the Village Board tasked staff with determining the financial impact to Village operations. The Board, at the December 1 meeting, directed the Village Administrator to devise and plan for future service and budget reductions in the event that a funding source for ambulance service does not materialize.

Staff presented its recommended cuts and service reductions for the fiscal year 2016 at the December 15, 2014 Village Board meeting where it was tabled to the January 19, 2015 Village Board Meeting.

After further discussion at the Committee of the Whole meetings, the draft Plan "B" was revised to eliminate additional costs to outside organizations, and maintain special events. The revised plan "B" is presented this evening for consideration.

Plan "B" originally contemplated revenue enhancements along with budget cuts. The Board decided not to pursue the revenue enhancements and the plan "B" has been revised as such. Along with this discussion a resolution was presented by Trustee Pierce to roll back the ambulance fees for residents if the referendum in April passes. The resolution states that fees will be collected from insurance and Medicare but not from the residents for uncovered portions of the bill.

Staff does not support this resolution due to the unfunded reserves, capital, equipment and other aspects of the operation that will still exist if the referendum passes.

This item was tabled from the January 19, 2015 Village Board Meeting.

DOCUMENTS ATTACHED:

1. Resolution

RECOMMENDED MOTION:

Motion to approve a resolution committing the Village to rolling back certain ambulance fees if the April referendum passes.

RESOLUTION 15 - _____

**A RESOLUTION COMMITTING THE VILLAGE TO ROLLING BACK
CERTAIN AMBULANCE FEES IF THE APRIL REFERENDUM PASSES**

WHEREAS, the Village of Antioch and the surrounding unincorporated area was provided with emergency medical services (“EMS”) by the Antioch Rescue Squad (“ARS”) for approximately 75 years, and

WHEREAS, in 2011, ARS was sued in federal court by a group of paramedics alleging serious, repeated and systemic sexual abuse, sexual harassment, alcohol abuse, drug abuse and sloppy paramedic practices along with other misconduct, and

WHEREAS, the Village Board exercised due caution and concern for the rights of all concerned, and considered the motivations of the individuals filing the suit balanced with the presumption of innocence enshrined in the US Constitution, and

WHEREAS, eventually, the Illinois Department of Public Health stepped in and filed a series of serious charges against ARS, its Chief and several of its paramedics mirroring many of the allegations in the federal lawsuit, and

WHEREAS, ARS and its ranking members admitted the truth of the IDPH’s charges and were severely sanctioned by that agency, and

WHEREAS, the weight of the charges in federal court and before the IDPH ultimately caused the Village Board to consider whether or not ARS was truly going to be able to survive and continue to provide services to the community, and

WHEREAS, despite being given an opportunity to execute a contract continuing ARS’s exclusive license to provide EMS, the President of the ARS Board of Directors refused to do so in a public meeting and announced that ARS was terminating its services within the Village, and

WHEREAS, since that time, the Village has assumed the responsibility for providing EMS through the Antioch Fire Department, and

WHEREAS, ARS was able to provide EMS through volunteer labor, charitable contributions and other undisclosed sources of revenue in supplement of billings collected from Medicare, Medicaid, insurance companies and other third party payers, and one benefit it particularly provided was a policy of not billing individuals above and beyond their insurance coverage, or beyond any amounts paid for by a governmental payer, and

WHEREAS, the ARS financial model was inherently unstable in the last couple of years of its existence, and such a model is unavailable to a municipality in any event, and

WHEREAS, ARS is currently completely defunct and cannot provide any services now, or at any future time, and

Village of Antioch, Illinois

WHEREAS, the Village Board finds that the last one and a half years since ARS ceased providing EMS to the Village has demonstrated that a reliable source of adequate funding is necessary to pay for paramedics, ambulances, training and equipment, and that without that new source of funding, public health and safety will be greatly compromised and severe cuts in other vital municipal services will become necessary, and

WHEREAS, the Village Board has caused a referendum seeking to impose a real property tax to generate (along with a companion referendum question in the unincorporated area sponsored by the First Fire Protection District) \$1.5 Million per year, which is deemed to be a reasonable amount necessary to cover the actual cost of operations over the recoverable insurance and government proceeds, along with a very small cushion for contingencies, equipment replacement and capital reserves, and

WHEREAS, the Village Board is committed to providing EMS at a fair and equitable expense, spread fairly throughout the community and still supported in the main by insurance proceeds and payments from outside entities, and

WHEREAS, the Village Board wishes to eliminate the personal billing of residents for uninsured portions of their EMS bills, including deductibles, co-pays and the like, similar to the system originally provided by ARS before its collapse, and

WHEREAS, the Village Board finds that the tax revenue produced by the referendum would be adequate to allow this reduction in user fees to occur if it passes,

NOW THEREFORE, BE IT RESOLVED by the Village of Antioch, Lake County, Illinois, as follows:

SECTION ONE: The Village Board firmly commits to removing all billing of private individuals for uncovered co-pays and deductibles or other personal costs over and above any payments available from insurance companies or governmental entities at such time as the Ambulance Referendum is approved by the citizens, should such passage occur.

SECTION TWO: The provisions of Section One hereinabove are intended to apply only to Village residents, or to Village residents and persons residing within the First Fire Protection District in the event the District's companion referendum passes. Nothing herein is intended to express any intention on the part of the Village Board to roll back fees and collection policies for persons residing outside these territories.

SECTION THREE: This resolution shall take effect immediately upon passage.

PASSED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF ANTIOCH, ILLINOIS, ON THIS ____ DAY OF _____, 2015.

ATTEST:

LAWRENCE M. HANSON, MAYOR

LORI K. FOLBRICK, VILLAGE CLERK