

**Study Session Meeting – Council Chambers, Ely City Hall
August 27, 2024 at 5:30pm**

The Ely City Council invited representatives from all interested organizations to attend: Fall Lake Township, City of Winton, Town of Morse, City of Babbitt and Ambulance Service, City of Tower and Ambulance Service, Ely Area Ambulance Service, Ely Bloomenson Community Hospital Board

CALL TO ORDER

Mayor Omerza called the Study Session on August 27, 2024 to order at 5:30pm.

PRESENT: Council Members A.Forsman, Kess, Debeltz, Callen, Bisbee, and Mayor Omerza

ABSENT: Council Member Campbell

Others Present: Dena Suikkonen, Michael Smith, Eric Hart, Craig Seliskar, Gerald Tyler, Bob Berrini, Sheila Gruba, Rod Gruba, Dustin Moravitz, Michael Harri, Jean Serson, Erik Houle, Scott Kellerman, Jodi Martin, Chad Houde, Dave Marshall, Harold Langowski, Casey Velcheff, Tom Coombe, Catie Helm-Clark, Scott Kellerman, Chuck Novak, Glenn Anderson, Michelle Richards, Marlene Zorman, Troy Bissonette, Rob Wilmunen, Doug Whitney, Tim Riley, Colin Yanhke, John Schindele, Patti Banks, Kevin Norby, Dave Setterberg, Matt Tuchel, Roger Skraba, and others

ADDITIONS OR OMISSIONS: None

OLD BUSINESS: None

NEW BUSINESS:

Patti Banks the CEO of Ely-Bloomenson Community Hospital will present the study completed by SafeTech Solutions concerning the creation of an EMS System in Northern St. Louis and Lake County.

Banks discussed her background in the hospital, she is currently the CEO of Ely Bloomenson Community Hospital (EBCH) and has worked in health care for over 25 years at different levels. Banks explained that EBCH is an independent, member owned supported hospital that is governed by a local volunteer board of directors that are members of the hospital. They are a critical access, 21 bed hospital which is important. The hospital has a full range of inpatient and outpatient services and they are one of the region's largest employers with over 130 employees. Banks discussed why EBCH started down this path again with ambulance and EMS. About 20 or so years ago the hospital owned and operated the ambulance service, at that time it was decided that for sustainability reasons it was best to separate from the ambulance service and it formed into a non-profit. As we know things change consistently and constantly, we are back to try to find a sustainable solution for the ambulance service. About 3 years ago the hospital board went into strategic planning, and one thing that came up in the

patient surveys was that patients were experiencing dissatisfaction with their emergency room services. Some of the concerns were with the transportation wait times if the patient needed to be transferred to a different hospital. The doctors also realized that in order to meet the medical transport needs of the patients, and to be able to provide the additional care outside of the community something needed to change, this was not due to the lack of quality, it was strictly based on staffing and monetary resources. We all have the same goals to take care of the patients, but some of this added to a contentious relationship with the Ely Area Ambulance. This is part of the reason why we are here and we are working with SafeTech Solutions to address this.

Banks discussed the financial assumptions that SafeTech used. The study was done based on the hospital's payer mix. The information that was asked for and what was received from all three ambulance services was tough to verify, because some were more forthcoming of their information than others, so they used hospital financial statistics. Currently 65% of their payer mix is government which is Medicare or Medicaid, the remaining 35% is private or insurance pay. Some of the numbers may differ since ambulances bring patients to the closest hospital, so not all 911 calls from Babbitt or Tower would have come to the Ely Hospital, and we would expect that to continue as we would move through this. If there is one license that the hospital would own it would change to cost based reimbursement for medical and 911 care. Ambulances have a lot of high capital costs, and that might be some funding support the hospital would need.

What's next? We are currently at 1) creating a vision for a single integrated EMS System. We need to decide if we are going to move forward with 2) Interfacility patient transfers must be prioritized valued, staffed, and resourced at the same level as 911 responses. 3) Create a detailed design and implementation plan 4) Create a transitional roadmap and timeline that honors local dedication and commitment 5) Incentivize participation in the new design/plan 4) Assist unsustainable services in meeting immediate needs. Banks indicated that we need the communities and Ambulance Services to decide where we go from here. The hospital cannot just take over the license(s) for ambulance service. The Primary Service Area (PSA) would need to be combined into one PSA which would be larger than the state of Rhode Island. Banks indicated that they are taking this seriously because a hospital without an ambulance service is not going to be very sustainable.

Banks discussed Scenario One which would be a Regional System Licensed by EBCH. All four organizations will work with SafeTech Solutions and licensing agencies on licensure. EBCH becomes responsible for operations of EMS including 911 coverage, medical transports, staffing, supplies, etc. EBCH becomes responsible for creating a budget and reporting to local government bodies (this included all cities and townships within the 3 current ambulance primary service area). Medical care, health care, and ambulance services remain sustainable. The unknowns are taxation amount or how taxes are applied. Banks indicated that they are thinking that this would be sustainable for at least the next 10 years, it might not be the perfect solution but it is a solution, because right now what we are doing is not working. The hospital with one license could provide ALS coverage, 911 coverage, medical transports and to be able to provide the government bodies with a budget, with requests that could be worked on or budgeted in for support for any type of capital costs. One of the ambulance services asked how

much would this cost per capita, Banks indicated that her estimate was \$45-\$50 per capita, and that is with existing services, that number has not been forecasted out. SafeTech Solutions is on hold right now for them to develop that budget it will cost more money. When the hospital moved in this direction instead of making a donation to our existing service, they decided to try to come up with a potentially sustainable solution. The overall cost of this study was \$70,000, Banks stated that she did write a couple of grants and they reimbursed for approximately half of the study.

A.Forsman indicated that he was glad to see everyone here from all the different entities. When this was presented a couple months ago it seemed like a clear path forward. We do love our ambulance service and we have top quality personal, but can we keep them employed and keep going forward with good service. A.Forsman asked what are everyone's organization's thoughts with this? Let's open this up for comment.

Eric Houle – Babbitt Ambulance Service and Lake County Ambulance Service
Houle indicated that in the PowerPoint it indicated that the EBCH will value transfers at the same level of 911 and that you will 2 ambulances in Ely, 1 in Tower and 1 in Babbitt. Right now, we are in an EMS shortage, how are you going to get that many EMS workers? If you do have shortages, where are you going to pull from, is Ely going to be the main headquarters, then people in Embarrass or Greenwood would be waiting over an hour for ambulance service to get to them. How will you prioritize transfers if you are on a call then you get an emergent transfer?

Banks indicated it would be the hospitals responsibility to staff and employ. If that is the level we will need to start out with then that is the level we will achieve. Banks indicated that they are not experts in everything that goes along with running an ambulance, and that is why they would be working with SafeTech to give them an operational model to make sure that the hospital can meet the expectations that are laid out in this scenario.

Chuck Novak – Ely Ambulance Board

Novak thanked Al Forsman for getting everyone together to discuss this. Novak indicated that his intent is to not counter the hospital. Novak asked everyone to take caution, there are too many questions and not enough answers right now. Novak indicated that they have 20+ employees that they are really concerned about, they want to make sure that they will still have employment if there are any changes. The total number of ambulances seems like a reduction in capability with what is currently had. No decisions have been made in St. Paul regarding the ambulance services, which is a state wide issue. We need to make baby steps with this issue and we need to take caution and not jump right in. Ambulance patients are happy, but it is hard with transports, its hard-to-get reimbursements. Novak indicated that the city has budgeted \$15.15 per capita not the \$45 to \$60 that was mentioned.

Glenn Anderson – Babbitt City Council

Anderson asked who would be supplying the ambulances, would the hospital be purchasing our ambulances?

Banks stated the goal would be to keep the ambulances in each community and they would be required by law to cover the area that they commit to. There are physical

ambulances, but the challenge would be how many of the ambulances are actually staffed 24/7. As we transition, if the communities decide to go in this direction, the staffing model would look like is they would commit to that initial, 2 in Ely and 1 in each other community you could still backfill using the current volunteer system, and the existing support that we have. The hospital would be responsible for staffing.

Anderson asked what happens when we have 2 transfers, then you are going to leave Babbitt or Tower without an ambulance for their residents. Banks indicated that it happens now. Anderson indicated that it would cut down the response time to our residents. Anderson asked if the hospital would lease or rent space from the city to house the ambulance, and have living quarters for the workers. Banks indicated those questions would need more research and potentially a Joint Powers or something like that to be able to govern some of the requirements for the coverage components. The hospital would have their own set of rules and regulations that they would have to follow. Anderson indicated that they do a lot of transfers for other hospitals, that is what makes them a lot of money. He said they have enough money right now to buy 1 if not 2 ambulances. Anderson indicated that they make sure they have a crew in town in order to do transfers and make sure that coverage is being had.

A. Forsman indicated that when SafeTech was here they discussed having the two remote facilities and having them staffed, that was in there original presentation. Anderson indicated that they had never heard from SafeTech, they had one meeting with the Babbitt Ambulance Director, but they never talked to the Babbitt City Council.

Kevin Norby – Tower City Council

Norby stated that they have been working on this issue for sometime now, they have been trying to work with neighboring townships to look into a joint powers board for this as well. Norby asked how the governance would work for this and what the cost would be. Tower is in favor of taking the next steps to finding a solution to this issue. How are we going to have our communities including our townships involved and how do we approve increases. If this is relicensed, is it going to be licensed into a taxing district, and how do we do it? Would it be a joint powers board for the district? How do we get all the townships involved? He said that they do not want the service to be outsourced by a private company.

Paul Kess - Kess stated that by working all together we can access the higher reimbursement rates. Banks cannot answer a lot of these detailed questions because the information doesn't exist yet. On the slide that discusses What's Next? We are on step 1 and a lot of the details that we want are in step 3 which is create a detailed design and implementation plan. If we had that, it would answer a lot of the questions that we don't know yet. To get to that point it is going to cost more money. Kess asked whether the money that was allocated by the state, if that money could be used to move this study forward. If it is the intention to explore what an arrangement might look like, then we should work together to find those answers. It might turn out that it might be too expensive to do, but we don't know that, but we should get to Step 3 for the detailed design and implementation and see where we go from there.

Dena Suikkonen – Tower Ambulance

Suikkonen indicated that the Tower Ambulance had 4 calls from 10pm–2am, most of the ambulance workers got home at 3:30am this morning. One call at 9:30pm also involved Ely ALS, and they did not get cleared from the Ely hospital until 12:30am. She said she doesn't see how they can have less rigs, last night they had 2 rigs out at the same time. Suikkonen indicated that EMS is not corporate we don't look at the bottom line, they do what they do to take care of the communities they live in. She said she likes what Banks is doing, because it can mean longevity. Where are the costs of the ambulances going to come from, or the costs for there own hall since Tower doesn't have one? Suikkonen stated that SafeTech was good to work with when they came to meet them.

Bob Berrini – Town of Morse, Joint Powers Ambulance Board, Ely Area Ambulance Service Board

Berrini stated that when they took over the ambulance service 20 years ago it was because the hospital stated that the ambulance can bill the people, the hospital as a non-profit could not bill them. When they took it over, they had two ambulances that were two-wheel drive, an old trailer, and old snowmobile. The hospital rented the Ely Area Ambulance Service a building that had no water or sewer and they had to pay rent.

Dave Setterberg – Mayor of Tower

Setterberg stated that Tower is supportive to look at the next steps. He stated that Tower used to make money when it was all volunteer, but now it is required to be 24/7/365 and you have to pay people round the clock. Setterberg was at the EMS meeting in St Paul, at that time a lot of the legislatures did not know how much money is not being received from Medicare and Medicaid, which could make a big difference. Setterberg would like more information on the change in accounting the hospital could receive with having a PSA 35 miles away. By creating a new PSA, it would give the opportunity to start with a clean slate and write things the correct way to make a better service. Setterberg stated that Tower is supportive in looking for a better way to improve the service.

Rob Wilmunen – EBCH Board Member

Wilmunen stated that the reason the hospital went this way was because of the transfers, the 911 service has been working well. Wilmunen indicated that 11%, or more than 1 out of 10 of the people had to take themselves or a family member had to take them to a higher level of care. That is not counting the number of people that had to wait 3 or more hours for an ambulance to come. EBCH is not looking to take over the ambulance service, they are trying to figure out a better solution so everything can be covered more effectively. The consultants that have been hired are nationally known and have done this throughout the country.

A.Forsman asked about transfers and what the average response time is for a transfer. Banks indicated that it is about 2-4 hours once a patient is stabilized. Ely is first to be offered the transfer, but sometimes there are other 911 calls going on. Then the

physician would make the decision if they would call out to other ambulance services or helicopter depending on the requirements. Banks stated that in the Metro Areas or in Duluth it is not an issue, but in rural areas the 2-4 hour wait time is common.

Chuck Novak – Ely Area Ambulance Board

On the delays Novak indicated that they used to have paid on call, but with the lack of funding they no longer have paid on call, they have to hope that at least two of the paid staff will come into take the transport.

Catie Helm-Clark –

When SafeTech made their presentation the 35-mile buffer that is in the CMS regulations. If you put a remote station in Babbitt and Tower and have the main facility in Ely, there is nothing in the CMS regulations about doing that. SafeTech talked about it being a loop hole in the regulations to get the cost reimbursement to work for the critical access hospital. Helm-Clark indicated that she has never heard of ambulance services doing remote stations before. Is SafeTech sure that the 35-mile zone is what can be done.

Banks indicated that they have looked into it, as a critical access hospital licensure they are allowed to have satellite locations.

Kess asked that he hopes we can continue to meet as a working group from each community, to continue to work on answering the questions that have been asked.

Matt Tuchel – Breitung Township, 20+ years in EMS – currently on Tower Ambulance Tuchel sees this as a scope of scale. We see this often when towns work together to make things more affordable. When things get too costly, communities need to work together to make things work out. As far as employment, the hospital is going to employ local people, this is doable. Babbitt is making money today, but what happens next year when they are losing money and only have 4 people on the roster, as a hypothetical example. This is something we need to work towards. Tuchel indicated that he works at the Wastewater Plant and he was the Ambulance Director, which wasn't his specialty. In this case you would have a full-time person at the hospital managing this, you would have all the hospital resources. You would have an infectious disease specialist to teach you about Covid, not the wastewater operator to teach you about Covid, the hospital would have specialists to educate their workers. Tuchel indicated that 30 years ago Tower had a hearse that was converted to an ambulance, now they have a \$255,000 ambulance with a ton of technology. Tuchel said that working with the hospital is the best solution, could it fail, yes but you have to take the chance. We need to move forward to continue to get the answers.

State Representative Roger Skraba indicated that they are working on this issue. The federal government is the key to getting Medicare to pay their fair share.

Omerza indicated that we care about all of you in this room, we deeply care about the work that you do especially if you are an Emergency Service individual. If there are

some that want to move forward with this, lets get a group together to move these issues further.

Banks stated that the hospital will be moving forward under the guidance that there will be a working group that will be put together and we will start working on Step 3.

ADJOURN

Mayor Omerza adjourned the study session at 6:45pm without objection.

Casey Velcheff
Deputy Clerk