

East Allen Township

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PRESS RELEASE

FOR IMMEDIATE RELEASE

FRIDAY, JULY 14, 2023

East Allen Township Makes Changes to EMS Providers

On Wednesday July 12, 2023, the Board of Supervisors of East Allen Township voted to change the provider of Basic Life Support (BLS) Emergency Medical Services for our community. This decision was not taken lightly by our Board of Supervisors and was carefully considered over the last six months. There is a critical crisis in the Commonwealth of Pennsylvania regarding staffing and fiscal funding of emergency medical services. Unfortunately, part of the fiscal crisis has impacted the East Allen Township Volunteer Ambulance Corps.

On January 18, 2023, the Township was contacted by email by the leadership of East Allen Township Volunteer Ambulance Corps (EATVAC) regarding an urgent phone call. Upon discussions with EATVAC's leadership, their organization was facing dire and urgent financial losses that jeopardized their service coverage because of the potential inability to pay their staff. The Board of Supervisors met with the EATVAC President Joseph Light and Vice President Eric Snyder to discuss this urgent matter. After meeting with the leadership, the Township Board of Supervisors immediately worked on funding EATVAC and authorized on February 8, 2023 a financial contribution of \$50,000 to the organization to cover payroll and operational expenses. This financial support was not unprecedented, in 2021, the Township approved the loaning \$87,962.34 to EATVAC money to refurbish and purchase a new chassis to replace a deteriorating ambulance and the Township in June 2021 voted to forgive the loan due at the request of EATVAC's leadership.

The Township conducted a comprehensive review of EATVAC's finances and determined the financial condition was far worse than originally anticipated during our initial talks with EATVAC. The causes of the financial constraints contributing to this fiscal crisis was the lack of sustainable call volumes, extremely low Medicare/Medicaid

reimbursements, declining subscriptions renewals, increasing staffing costs due to 24/7 coverage commencing in November 2022, and a lucrative pension plan that led to thousands of dollars of payments to former members. While this is not a comprehensive cause of the organization's financial distress, it created a financial deficit each month that made the continuation of financial support from our Township extremely difficult. The Township estimated that the financial deficit of EATVAC was \$26,000 each month or \$320,000 annually. To continue to ensure that there would be no disruption of services the Township authorized an additional payment of \$37,378.72 to the organization after it requested such funding a second time to assist with covering payroll on April 27, 2023. While the Township did not provide this payment because it appeared that payroll could be covered by increasing call reimbursements, we were committed to ensuring that EATVAC would meet its financial obligations and would able to continue to provide services to the Township.

On May 15, 2023, the Board held a special meeting with the officers of the East Allen Township Volunteer Ambulance Corps at our Township Building. EATVAC requested from the Board of Supervisors the ability to form a committee and time to potentially meet with neighboring EMS providers to review potential options for the organization to continue to operate. The goal was to review any partnership or merger options to ensure all residents receive the highest quality and most reliable emergency medical care. During the process of reviewing outside EMS providers, it became apparent to the Township that the review process was flawed and created a bias that tainted this review. On June 14, 2023, EATVAC presented their committee's findings, which recommended that East Allen Township approve a partnership between EATVAC and Nazareth Regional Emergency Medical Services. The Board during this presentation requested financials and documentation related to licensing from the committee for Nazareth Regional Emergency Medical Services. A request for documentation was made to Robert Norder, Executive Director of Nazareth Regional EMS by the Township and the Township did not receive a reply to our request until the June 22, 2023 meeting. During this meeting, the Board was informed that they would provide information in a closed session, but due to laws related to public records they felt it was not a wise business practice to provide such information. The lack of financial transparency concerned the Board of Supervisors and the Township felt making a decision to change any EMS services with the information provided was inappropriate and immature.

The Township reviewed the financial results to cover the projected \$320,000 necessary to cover the structural financial deficit that the Township determined, it just simply was not financially possible for the Township to continue our financial support. The Township was already projecting a deficit for 2023 of over \$85,000 and did not have the additional \$233,000 to cover operating costs for EATVAC. The fiduciary responsibility and our fiscal responsibilities would have been irresponsible and reckless to the residents of East Allen Township and would place a tremendous financial burden on the taxpayers that are already struggling. Based on all the information the Township was provided and reviewed, we could not continue to financially support the East Allen Township

Volunteer Ambulance Corps without a severe impact on the Township's budget. Additionally, with inflation and the costs of goods rising at unprecedented rates we simply could not support raising taxes on struggling households. This would effectively mean that East Allen Township would have to contribute \$389,000 until revenue would be received in June 2024. To place that in perspective, taxes would need to be raised 2.20 mills or a 35% tax increase on our taxpayers. This would equate to a home appraised at \$150,000 and has a tax assessment of \$75,000 would pay an additional \$165.00 per year. Lastly, any future tax increases would have meant the Township would need to fund EATVAC until June 2024, when the majority of tax revenue is received and there would be no guarantee that even with a tax increase EATVAC would be on a path to financial solvency.

On July 12, 2023, the Board of Supervisors after comprehensive and exhaustive review of emergency medical services over the last six months motioned to approve the Northampton Regional Emergency Medical Services Inc. as the sole basic life support and advanced life support provider for East Allen Township effective at 12:00 AM Thursday July 13, 2023. Northampton Regional has committed to offer the same quality services we would grateful to receive by East Allen Township Volunteer Ambulance Corps and will work with the Township on ensuring that there will be no lapse or loss of emergency medical services to East Allen Township. Northampton Regional EMS has been the Township's advanced life support provider for over 15 years and when East Allen Township would be out of service, would provide automatic mutual aid and cover all emergency medical service calls. Additionally, Northampton Regional EMS has provided assurance to the Board of Supervisors they will work to recruit any staff that lost their position with East Allen Township Volunteer Ambulance Corps. Those interested shall reach out to the Northampton Regional EMS or East Allen Township.

We are eternally grateful for the East Allen Township Volunteer Ambulance Corps for the service they provided to East Allen Township over the last 44 years. Their passion and quality of their care provided for our residents, businesses, and visitors of the Township was second to none and will provide a strong foundation for our next provider. We want to thank the leadership, volunteers, and employees of East Allen Township Volunteer Ambulance Corps for their commitment and dedication over the last several months to working on ensuring the Township is covered for emergency medical services. Without their commitment and dedication, the Township would have faced this unfortunate circumstance sooner. We look forward to working with Northampton Regional EMS and we want to assure the residents that you will be receiving the same quality of care and commitment to our community that we were so fortunate to receive over the last 44 years.

FOR MORE INFORMATION PLEASE CONTACT:
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