

Serving Residents and Visitors in the Pikes Peak Region

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Service Plan

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Serving Residents and Visitors in the Pikes Peak Region

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Problem Statement:

Woodland Park Ambulance Service (WPAS) has provided quality emergency medical service for over forty years. The trend now, and forecasted to continue in the future, is for expenses to keep increasing while the reimbursement rates keep declining. At the same time, continuing growth in traffic and population causes ever-greater demands for service that will overload existing personnel and equipment resources.

Proposed Solution:

Formation of a special district with a mill levy tax would provide an assured source of funding to supplement patient user fees. This would ensure that the necessary equipment, facilities, and personnel are available to meet the public's service requirements.

I. Introduction

Woodland Park Ambulance Service, Inc., a Colorado 501-C-3, not-for-profit corporation (WPAS) is currently one of the best ambulance services in the Pikes Peak Region. It has demonstrated its commitment to the community by providing excellent patient care with cutting edge medical technology and an experienced staff. However, fulfilling these commitments has come at a high cost to WPAS and the patients it serves. Expenses associated with vehicles, equipment, insurance, facilities, training and staffing have all increased in price. At the same time, WPAS has experienced decreases in payments from insurance companies and governmental programs such as Medicare and Medicaid as they attempt to reduce insurance expenditures through managed care programs. There have also been increasing numbers of patients who do not have insurance and many of those patients will not or cannot pay their ambulance bills. Written demands, telephone calls, and the use of professional collection agencies have largely failed to stem the growing tide of bad debt. WPAS cannot continue to provide ambulance services at current or projected levels, including quick response times and continued quality care, at affordable rates because of declining revenues and increasing expenses. Without an assured source of revenue, ambulance services from WPAS will need to be reduced and patients will continue paying increased charges for the services they receive from WPAS.

The establishment of an ambulance district with stable funding will improve ambulance services, decrease response times, improve facilities and equipment, and significantly lower ambulance payments made by District Patients. It is with this in mind that the staff, members, and Board of Directors of Woodland Park Ambulance Service believe that there is a clear and present need for an ambulance district, and propose the formation of such a district.

An ambulance district may be organized pursuant to the Colorado Special District Act C.R.S. § 32-1-101, *et seq*., (the "Act") to provide emergency ambulance services. The District shall be named the Ute Pass Regional Ambulance District (hereafter referred to as the "District") and will provide multi-jurisdictional ambulance service coverage in portions of two different counties: Douglas and Teller. The District shall have all of the powers and adhere to the requirements of an ambulance district as described in the Act, specifically including that authorization set forth pursuant to C.R.S. §§ 32-1-1001,1007, and 1101, as further described in this Service Plan in Section V., Adherence to State Service Standards and Regulations

and Compatibility with County and Municipal Planning. The boundaries of the proposed District are essentially co-extensive with three existing fire protection districts and are more fully described later in this document.

This Service Plan has been prepared by the following organizers and participating consultants:

Organizers

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II. Purpose of the District

The purposes and goals of the District are to prepare for, and respond to both emergency and non-emergency medical calls for help within the boundaries of its service area. According to C.R.S. § 32-1-103 (1), an ambulance district is defined as follows:

> *"Ambulance district" means a special district which provides emergency medical services and the transportation of sick, disabled, or injured persons by motor vehicle, aircraft, or other form of transportation to and from facilities providing medical services. For the purpose of this subsection (1), "emergency medical services" means services engaged in providing initial emergency medical assistance, including, but not limited to, the treatment of trauma and burns and respiratory, circulatory, and obstetrical emergencies.*

Authorization for the District shall also include the provision of emergency medical standby services for fire and law enforcement agencies for a cooperative mitigation of other medical and trauma related emergencies occurring in the area.

To accomplish these purposes and goals, the District will (i) use career and part-time emergency medical professionals to provide ambulance services and emergency medical response; (ii) acquire and finance vehicles, equipment, and facilities; (iii) improve base operations of the ambulance service; and, (iv) work closely with the Counties and other EMS and fire related agencies involved to preserve the health, safety, prosperity, security, and general welfare of its inhabitants. The fulfillment of these objectives will benefit all of the residents, taxpayers, and owners of real property in the District through better service and reduced fees.

III. Boundaries, Population, Traffic, & Valuation

Boundaries:

The legal boundaries of the District will consist of the area described in **Exhibit 1,** located on Pages 24-26. The District will have the power to impose property taxes only within its legal boundaries. Notwithstanding the legal boundaries, the District shall be authorized to provide services both within and without its legal boundaries. The District will charge fees for the provision of such services, and the fees charged by the District will be differentiated on the basis of the provision of services to District Patients versus Non-District Patients. This will ensure that the District Patients are not paying more than their fair share of the continuing operation of the District through their continued obligation to pay property taxes to the District.

Consistent historical analysis shows that of the total responses (calls) made by WPAS, 80% of these responses were made within the boundaries of the District. The other 20% of the calls were outside the

boundaries of the District as mutual aid calls. These averages are predicted to be the same or similar for District responses. However, while District Patients will be the primary benefactor receiving most of the services provided by the District, service to Non-District Patients will account for 40% of the total billable revenue for the District.

Overlapping Service:

> C.R.S. § 32-1-107 (3), restricts organization of a proposed district in the event that the proposed district would provide the same services as that of an overlapping (in whole or part) existing district. An exception to this restriction is permitted where the following conditions are met:
>
> 1. The Board of County Commissioners approves the inclusion of such services in the service plan;
> 2. The improvements and facilities to be financed or operated by the proposed district do not interfere with or duplicate improvements or facilities constructed or operated by the existing overlapping district; and
> 3. The existing overlapping district consents to the proposed district providing the same services.

The boundaries of the District essentially overlap the boundaries of three existing fire protection districts: Divide, Mountain Communities, and Northeast Teller County ("Fire Protection Districts"). None of the aforementioned Fire Protection Districts have ever provided ambulance services. Currently most of the Fire Protection Districts provide basic first response medical assistance. However, Divide Fire Protection District provides advanced life support first response services approximately 80% of the time with available volunteer members. WPAS provides advanced paramedic level ambulance response and transport services within the traditional WPAS service area. It is not foreseeable that any of these Fire Protection Districts will have the desire and/or ability to provide services comparable to WPAS or those of the proposed district within a reasonable time. Prior to obtaining an order for organization, the District will obtain consent of all affected Fire Protection Districts.

Population:

Census reports have been used to extrapolate estimated populations for the District portion of Teller County and the West Creek (Mountain Communities) area in Southwestern Douglas County. These are summarized in **Exhibit 2** located on Page 27. According to the Census Tract and Block Grouping calculations, the population was 9,125 in 1990, had grown 53% to 13,978 by 2000, and was estimated to be 14,238 by 2003. By using the Zip Code Method, the population was estimated to be 14,918 in 2000 and 15,178 in 2003. If the population of the area continues to grow as predicted by the Pikes Peak Area Council of Governments (PPACG), 2002 Teller County Profile, the District population in 2007 is estimated to be 16,354.

According to the PPACG, the year 2000 population of Teller County, the County within which most of the District will be located, was 20,668. Teller County has historically had population growth above the State average compared to other Colorado counties with similarly sized populations. From 1990 to 2000 Teller County's population grew from 12,511 to 20,668 an increase of 65%. Strong growth is expected to continue in the next five-year period with an estimated population increase of 3,373 persons for a total of 24,041 persons residing in Teller County. In a county of only 559 square miles, there is currently an average of 40 persons per square mile or 80 persons per square mile if Federal and State public lands are not included. Much of the growth has been in or around the City of Woodland Park as people migrate into the area to reside and commute to jobs in Colorado Springs but there is also steady growth in the central and western portions of Teller County.

Total population figures for Teller County are relevant because the District must be prepared to provide services for all of these people. As residents of the entire County travel to or through the District's boundaries for shopping, employment, and education, the possibility of traffic related incidents will increase. Medical emergencies will similarly increase at the schools children attend, and at shopping

centers and places of employment. Therefore, the demand for ambulance services will increase as population and activities increase.

Traffic:

According to historical data from the Colorado Department of Transportation, Traffic Volume Studies on U.S. Highway 24, 10,844 vehicles a day passed through the City of Woodland Park in 1980. In 1990 that number had grown 53% to 16,607 vehicles per day. After the installation of gaming in the City of Cripple Creek, that number increased another 42% to 23,523 vehicles per day in 2002. This constitutes an increase of 117% in just 22 years. This daily traffic is projected to increase to 25,252 vehicles a day in 2005 and 28,123 vehicles a day in 2010. In addition, 14 busses go through Woodland Park on their way to and from Cripple Creek on a daily basis.

While daily traffic through Woodland Park continues to increase, the daily traffic percentage increases, both current and projected for the Divide area, truly highlight the growth of the area to be covered by the District. In 1980 there were 3,104 vehicles per day that passed through Divide. In 2002 that number had grown to 16,689 vehicles per day, an increase of 438%. Of the 16,689 vehicles a day that passed through Divide in 2002, 5,740 went south on Colorado Highway 67 to Cripple Creek. These numbers are projected to grow another 30% within this decade.

In addition, 9,430 vehicles a day turn from U. S. Highway 24 in Woodland Park onto Colorado Highway 67 going north towards Deckers. As one travels north of Woodland Park the volume decreases from 7,168 vehicles to only 594 vehicles a day traveling through Deckers. It is predicted that traffic volumes along north Highway 67 will increase another 27% to 12,023 vehicles per day traveling through Woodland Park, and increase by 30% to 774 per day traveling through Deckers by the year 2013.

Unfortunately, an increase in traffic accidents will go hand in hand with the traffic increase through the area and the District must be prepared to handle them. WPAS does not possess the current or projected staff necessary to answer these increased calls. The establishment and funding of an ambulance district will better prepare emergency services providers for the increased demand placed on the system to handle these calls. Computations regarding historical and predicted traffic patterns are summarized in **Exhibit 2**, located on Page 28.

Valuation:

The District contains incorporated and unincorporated residential, commercial, agricultural, light industrial, State of Colorado Park, Federal Bureau of Land Management and National Forest land. The estimated assessed value is $160,770,558 based on the 2003 assessed values provided by the Teller, and Douglas County Assessors' Offices. The breakdown includes the assessed values of only taxable properties (not exempt properties) within its proposed legal boundaries.

The assessed values are as follows:

Teller County	$ 157,907,060
Douglas County	$ 2,863,498
Total Assessed:	$ 160,770,558

Future assessed values, as shown in **Exhibit 3**, found on Page 30, were estimated to increase an average of 2% during non-assessment years and 7% during assessment years.

As new development occurs, the District will benefit from most, but not all, increases in assessed valuation. The District will realize all of the assessed values of the proposed 1000 new homes to be constructed along Highway 67 in Woodland Park as well as most other construction within the District. In addition, the District will benefit from the assessed values, plus inflation, for those properties that are located within the Woodland Park Downtown Development (DDA) area at the time the DDA was formed. However, the District will not benefit from any of the increased assessed values that derive from the improvements and developments made by the DDA. The additional patients associated with the continuing growth anticipated

by the DDA will impact the District's call volume. On a more positive note, it is assumed that many of these additional patients will be visitors who are not residents of the District. Therefore, they will be billed the full rate for services without any discounts or other benefits afforded to District Patients.

IV. Need for the District

Reliable ambulance service is essential for any community, as essential as law enforcement and fire protection. The District is primarily needed to provide medical evaluation, treatment, and then transport of persons injured or suddenly taken ill. The District is also needed to partner with law enforcement and fire agencies to mitigate medical emergencies, traffic accidents and other trauma related incidents. Ambulance services support the community by participating in ancillary activities such as school programs, CPR training, and general wellness and safety events under the Injury Prevention Strategic Plan, 2003-2008, published by the Colorado Department of Public Health and Environment, Injury Prevention Program.

Background and Current Services:

For over forty years Woodland Park Ambulance Service, Inc. has provided care and services for our community. First, as Ute Pass Ambulance Service, a group of dedicated volunteers served an area from Cascade to beyond the summit of Wilkerson Pass to the west and beyond Deckers to the north. Later, the City of Woodland Park took over the ambulance service and established Woodland Park Ambulance Service (WPAS). When the City of Woodland Park divested itself of the ambulance service in 1982, WPAS formed an independent, not-for-profit business and has continued to provide emergency medical care and transportation ever since.

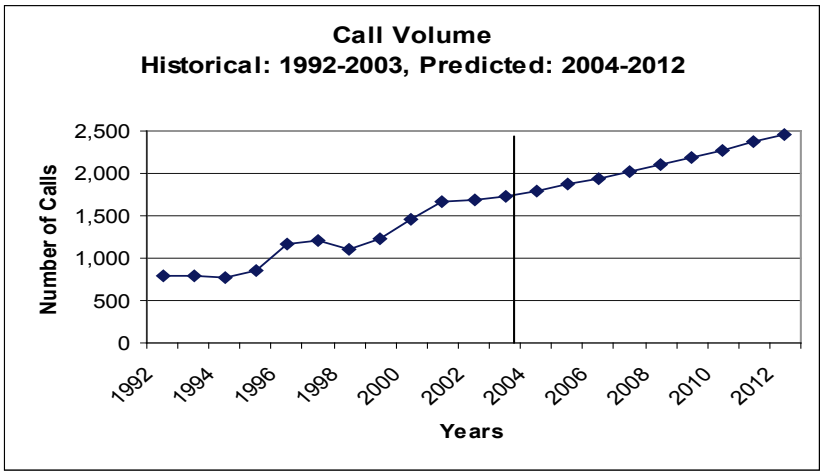
Initially an all-volunteer staff, WPAS members responded to as many calls for help as possible. As time passed and demand for services changed, increased call volume proved challenging for this all volunteer staff. Patients experienced long response times and WPAS was not able to consistently provide the desired level of care. WPAS responded to this need by adding full-time paramedics to complement the volunteer staff and made multiple service upgrades in medical equipment and vehicles. Today, WPAS provides care for area residents and visitors that is comparable to other ambulance services in the Pikes Peak Region. However, problems still exist with staffing ambulances for concurrent calls (calls occurring at the same time as other calls), acquiring needed financial resources to purchase necessary additional medical equipment and ambulances, and training for staff. If alternate sources of funding are not found services will have to be cut and patients will be required to pay more for the services they receive from WPAS

Calls for Service:

From hour to hour, day-to-day, month-to-month, and year-to-year, periods of low demand alternate with periods of extremely high demand. Ambulance services are subjected to periods of no calls, followed by periods when the service needs to respond with three or more ambulances to concurrent calls. Historically call volume has increased on average of 8% per year from 1992 to 2003. During this period call volume has varied, with years of high increases and years of call decreases. Calls increased in 1996 by 317 calls or 37% from 1995. However, from 1997 to 1998 calls decreased by 97 calls or -8%. Calls increased 10%, 19%, and 14% per year from 1999-2001, respectively, with a modest increase of only 2% in 2002 and 2003. However, from 1992 to 2003 WPAS experienced an overall call increase of 121% from 782 calls in 1992 to 1,728 calls in 2003. Historical and projected WPAS call volumes are summarized in the following chart. Additional details regarding call volumes can be found in **Exhibit 2**, located on Page 29.

All new developments that occur within the boundaries of the District will impact its ability to provide services by increasing call volume higher than current projections. The City of Woodland Park recently approved a plan to construct 1000 new houses along Highway 67. More development will equate to population growth which in turn will increase call volume. In addition, the Woodland Park Downtown Development Association (DDA) plans to construct various venues that are intended to attract large numbers of visitors to the area. These visitors too will increase call volume. The District must be prepared to deal with the increased number of medical and trauma/traffic related incidents that will occur with this

growth. Establishing and funding the District will provide the necessary stable capital which will permit the District to efficiently respond to this increase in calls.



Even more challenging to predict are concurrent calls, that is a second and/or a third call occurring at or about the same time as other calls. Multiple calls occurring at the same time combined with long response and transport distances frequently remove ambulances from the service area making them temporarily unavailable to answer other calls. The incidence of multiple calls occurring at the same time has steadily increased approximately 2% per year since 1998. Based on total call volume from 2003, WPAS responded to concurrent emergency medical calls 29% of the time. Currently, when one ambulance responds to a call, additional crews are available to answer another call only 53% of the time. Furthermore, when the second ambulance is called, crewmember availability drops significantly to only 6%. If this trend of multiple calls continues to increase, it is estimated that multiple ambulance responses will be needed 39% of the time by 2008.

Like other ambulance agencies, WPAS has established reciprocal agreements with other ambulance services to cover its response area when all WPAS available resources are depleted. However, these requests remove other ambulances from their primary response areas and deplete resources in their areas so backup may not always be available. Currently WPAS relies on Southwest Teller County EMS in Cripple Creek and American Medical Response located in Colorado Springs for the provision of these vital back up services. Although these agreements have worked well in the past, because of call and coverage demands of their own systems these agencies do not have available back up resources to cover when WPAS needs them in 25% of such situations. Obviously, this frequently leaves our area without ambulance coverage.

Most people believe that they will never need an ambulance until faced with a medical emergency. Then the public assumes that an ambulance will quickly respond, complete with the necessary equipment and a well-trained staff. During the period 2000 through 2003, WPAS responded to 6,532 requests for ambulance services. Most of these patients had never needed an ambulance before, however, now understand the value of quality ambulance services. While we hope that no one will ever need an ambulance in the future, reality has shown that these services will be needed and we must be prepared to deliver them. This can only be accomplished with adequate financial resources

Finally, the proposed new hospital, Pikes Peak Regional Medical Center (PPRMC) to be constructed just west of Woodland Park, will become a vital component of patient care services. It is anticipated that PPRMC will partner with other healthcare providers including ambulance, fire, law enforcement and other pre-hospital emergency providers to improve overall patient care services provided to area residents. However, it is difficult to predict the exact impact of the hospital on future call volume and need for ambulance services. Demands for services may increase or decrease as described below.

It is possible that PPRMC will improve ambulance availability by reducing transport mileages and, that more patients will drive themselves to PPRMC instead of calling for an ambulance. In this example,

ambulances will be traveling less distance so they will be in service quicker, thereby reducing the necessity for additional ambulances and staff. However, the reverse could also be true in that overall emergency calls may increase, as was the experience of Kingwood Area Emergency Medical Services Association (KAEMSA) of Kingwood Texas. When KAEMSA was formed, call volume was forecast to grow based on historical experience and population growth. That held true until the first local hospital (40 beds, located 4 miles from Kingwood) opened and was accepted as a destination hospital by the public. In the year or so following establishment of that hospital, call volume increased about **twice as fast as expected**. This unanticipated increase was attributed to several factors: (i) the synergy between the new hospital and the EMS organization; (ii) the publicity given to both organizations; (iii) increased use of medical facilities (both EMS and the hospital) because the hospital was close and convenient; (iv) the growing use of hospital emergency departments as initial/primary care providers; and, (v) the new convenience of sending the patient by EMS with the family following separately. The District anticipates that the opening of the PPRMC will result in increased demands for services, and associated expenses, similar to that experienced by Kingwood TX.

Because the PPRMC will be located just outside of Woodland Park, it is estimated that some number of the patients cared for by the District will be transported to PPRMC (lowering transport mileages and times). However, many patients will still request to be transported to Colorado Springs' hospitals. These patients will base their decisions on various considerations such as personal preference (allowed by state law) and insurance coverage. Further, more patients will require inter-hospital transportation to and from the new hospital for MRIs and other diagnostic and patient care services not offered by the new hospital. This will necessitate the need to develop an inter-facility (hospital to hospital) medical transportation system that will permit an affordable means to facilitate these transports. Furthermore, the State of Colorado has developed a specialized Critical Care Paramedic Certification that will be required for any ambulance service providing critical care transports between medical facilities. The District will be required to train the paramedics to this level to provide the necessary staff for this transport need. In addition to these specialized transports, even more patients will require in-District transportation to and from doctor appointments, and other hospital related outpatient tests, treatments, and other procedures performed at the new hospital. It is estimated that opening of the hospital will increase call volume another 4-6% above the ongoing projections.

The opening of the new hospital might bring an increase in calls plus the addition of inter-hospital transports, but it will also bring a reduction in transport mileage revenue. Since the new hospital will be closer to the emergency scenes than Colorado Springs' hospitals, WPAS ambulances will be transporting patients reduced distances from these scenes to the new hospital. This change will reduce the time that ambulances are on transports; however, it will also reduce mileage charge income, one of the charges most often paid by insurance companies and Medicare/Medicaid. Mileage charges, or loaded mileage charges, can only be assessed when a patient is in the ambulance and being transported from the location of the emergency to the hospital. Mileage charges cannot be billed for response (the distance from the ambulance base to the emergency scene) and for the distance from the hospital back to the ambulance base. In other words, instead of billing the average 25 miles to Colorado Springs the mileage will be reduced to 2-5 miles after the new hospital opens. This reduction in mileage income will need to be offset by increases in base rates and other medical related charges. Despite the new hospital in the area, the prolonged response times and long distances traveled by ambulances to the various locations of medical emergencies will not be significantly reduced. Ambulances will still be required to travel the long distances associated with the size of the District, leaving them unavailable to respond to other calls. Formation of the Ambulance District however, will establish stable funding to offset these losses and add staff and equipment to provide ambulance services at reasonable rates.

Staffing & Volunteers:

Like the fire departments, the District must have sufficient staff on-duty and locally on-call to immediately respond to emergencies twenty-four hours a day. While the need for emergency medical services is increasing, the ability to provide services through a combination of career and volunteer staff is becoming an unrealistic goal. The lack of qualified volunteers is one of the most salient problems confronting rural EMS systems. As far back as 1981, Mr. Bill Metcalf, an associate director for the American College of Emergency Physicians and former Colorado State EMS Director, noted that the motive to volunteer in

EMS has fallen, and fewer volunteers are now available. There is a significant trend towards fewer volunteers and more part-time personnel. Also, a mostly rural area, like that envisioned for the District, has a relatively small population base from which to attract volunteers.
These staffing problems are reflected in WPAS by high turnover of its volunteer staff. Since 2000, WPAS has lost over 56 members from its roster due to requirements of time, training, long call times, and increased call volume. All volunteer members of WPAS are required to provide a minimum amount of volunteer, on-call time each month. They are also required to maintain their own state and local mandated certifications through attendance at various training classes. This uncompensated time proves to be difficult for many of the members attempting to meet service as well as State and National training requirements. In addition, they are frequently subjected to time away from their families for prolonged periods spent on calls. Many members find the volunteer time requirements too cumbersome, the expense of maintaining required State certifications too expensive, and consequently choose not to renew their certifications and therefore, discontinue their memberships. This leads to continuously high turnover rates.

Since calls regularly occur at or near the same time as other calls, additional ambulance crews must be available to respond to these emergencies. Now, WPAS assures only the immediate response of one fully staffed ambulance at any given time and augments additional responses with on-call volunteer members if they are available. Multiple calls combined with long response distances/times create multiple periods of time when there is no available ambulance in the area. Establishing a District will provide sufficient staffing to assure the available immediate response of two ambulances. The third out ambulance will be available with one full-time paramedic and with one paid, on-call medic. When the fourth ambulance is needed, an emergency radio or alphanumeric page will be sent out to obtain staffing. Also, mutual aid and intergovernmental agreements will be established and maintained with other EMS agencies in the area to secure services when District resources are busy and/or otherwise unavailable. This staffing plan assures the more timely response needed for current and future call demands.

Finally, having experienced and competent paramedics in the rural environment is an **absolute necessity**. This is because they are depended upon to make quick decisions and exercise sound medical judgments when caring for their patients, frequently without direct physician/hospital intervention. Because of the nature of the rural environment combined with long response and transport distances, rural medics spend more time and care for their patients longer than their urban colleagues. However, it is becoming more difficult to locate, recruit, and retain these well-trained, competent, and experienced paramedics. Emergency medical services and fire departments in urban areas along the Front Range are currently expanding their services and hiring more paramedics. This competition takes experienced paramedics away from the rural services and replacing them is becoming more and more difficult. Currently, demands for competent paramedics are greater than the supply. While many paramedics enjoy the multiple challenges of the rural environment, most do not stay here because of long commute distances, higher housing and living expenses, lower pay, and reduced benefits. Formation of the Ambulance District will improve quality of care by providing necessary funding to improve job security, pay, and benefits that will entice paramedics to move into and stay in our community.

Training & Education:

Sufficient resources for training and education must be available to assure that medics maintain the highest level of proficiency. Continuing education requirements are not only mandated by the Colorado Department of Public Health and Environment, they also assure that medics are keeping current on changes in medical protocols, practices, and equipment. Current WPAS budget constraints do not allow adequate funding for these continuing education and training equipment requirements and WPAS employees and volunteers frequently pay for such continuing education and training themselves. The specific Colorado Code of Regulations regarding education requirements are listed in Section V, Adherence to State Service Standards and Regulations and Compatibility with County and Municipal Planning. Limited funds also restrict the ability of WPAS to sponsor ample community outreach programs such as CPR and first aid classes for interested citizens and community groups. The District to be formed will budget for these vital training functions and make educational programs available to fire, law enforcement, and citizen groups for the betterment of our community.

Facilities and Medical Equipment:

Formation of the District is also needed to generate revenues for the provision of adequate facilities for on-duty crews, training areas, equipment and record storage. The current facility located at 785 Red Feather Lane needs to be expanded or relocated. It was well designed for an era of lower call volume and a smaller, all volunteer staff. It was not intended to accommodate full-time staffing or the services provided today. This facility is already too small to accommodate the residential living needs of the paramedics and EMTs along with space for training and meeting plus storage of equipment and vehicles. The training area now serves as the crew quarters, office areas, and records storage. In addition, one ambulance is parked outside with heaters installed that are not reliable to keep equipment, fluids, and medications at required temperatures during the winter.

Additionally, funds must be available to upgrade equipment to stay abreast of changes in medical technology and standards for patient care. For example, based on current invoice prices, the cost to purchase and equip a 4X4 ambulance, needed for our various environmental and weather related conditions, is $90,000 for the ambulance and another $50,000 for radios and medical equipment for monitoring and treating patients. This estimate does not include ongoing operational costs such as fuel, vehicle maintenance, insurance, and the cost of staffing.

Financial:

Reliable and consistent financial resources are needed to pay the costs associated with on-going ambulance service operations. Also, patients that need an ambulance should be able to call for such services based on medical necessity and not personal financial circumstances. Therefore, a reasonable balance must be established that will permit ambulance services to be funded, while at the same time provide care and transportation that is affordable to the patient. Funding through the District, along with solid financial planning consistent with reliable income sources available through the District, will allow the District to provide patients with the most reliable equipment and most competent personnel in a timely and economical manner.

WPAS is dispatched to emergencies via the 911 emergency system. As a result it is **required** by county ambulance licensing requirements to provide emergency services to all persons **regardless of their ability to pay**. Because of this legal requirement, WPAS provides services when requested and attempts to establish payment arrangements later. Even though many patients do not pay their ambulance bills, the licensed ambulance provider **must** continue to provide future services for them. WPAS must continue to respond to, care for, and transport all patients regardless of how many times they call, no matter how much they owe, and most importantly, regardless of their willingness and/or ability to pay.

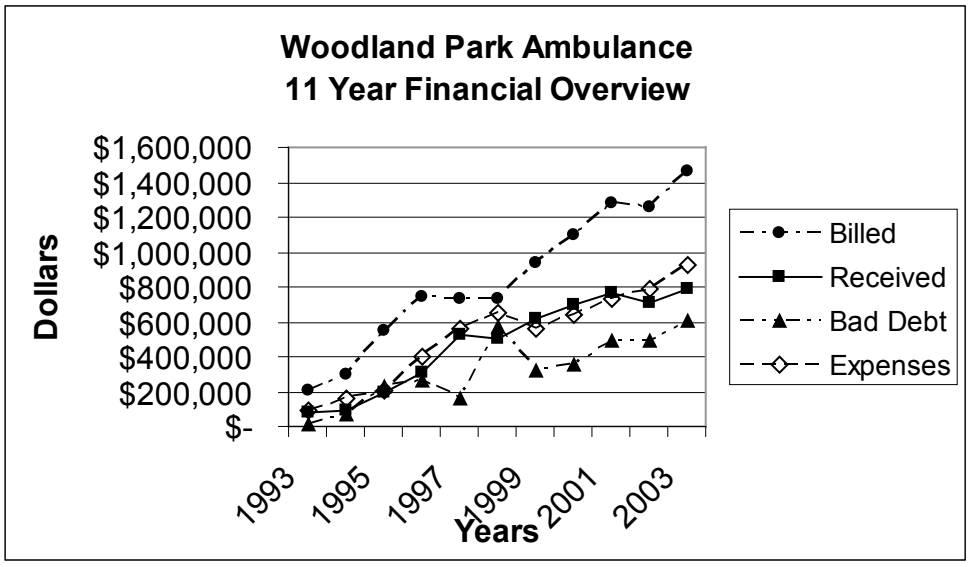
Because 40-45% of all ambulance charges are written off, recovery of these losses is attempted by raising the rates in the hope that sufficient cash will be obtained from those patients that do pay. However, experience has shown that continued escalation of invoiced charges for ambulance services does not yield a proportional increase in cash income. That is, an unreasonably high invoice rate does yield a little additional income but also results in a disproportionably large increase in write-offs. During the period 1998-2003, ALS rates were raised 46%, BLS rates were raised 55%, and the volume of transports increased 24%. These changes resulted in a 100% increase in billings by 2003 but yielded only an increase of 60% in amounts collected. Continuing to raise rates does not yield a proportional increase in revenues, nor does it cause governmental programs to deviate from their low, fixed-rate reimbursement schedules. In most cases, raising the rates does not increase reimbursement by insurance companies because the high charges are not deemed to be “usual and customary”. Continued raising of the rates charged to individuals puts the cost of ambulance services beyond their ability to pay for many, many individuals. Establishing and funding ambulance services through the District creates an affordable alternative that permits ample and consistent funding for ambulance operations and reduces or eliminates out-of-pocket payments from District Patients. Examples of current and projected ambulance bills if the District is approved, and if it is not approved, are included in **Exhibit 5** located on Page 57.

Like any business, WPAS charges its patients rates that will pay for expenses associated with purchasing, equipping, staffing, storing, and insuring ambulances and personnel. However, unlike most other

businesses, as a courtesy to its patients, WPAS bills insurance companies and government sponsored programs such as Medicare and Medicaid for the services it provides on behalf of the insured. Insurance companies, Medicare and Medicaid routinely delay, reduce, or deny ambulance charges. Most government sponsored programs such as Medicare, Medicaid, and Tri-Care significantly limit their payments and prohibit by law billing patients for the unpaid balance of their ambulance bill other than stated deductibles and co-payments. Most of the payments from these government-sponsored programs pay less than what it costs to provide the service, leaving the remainder to be written off. Subsequently, these losses from bad debt and write-offs are passed on to other patients in the form of higher ambulance bills. In essence, those who do pay, pay for those who don't. In turn, the higher rates increase the amount of bad debts and the cycle continues. It is not unusual for WPAS' patients to express shock, and even outright anger, over the high cost of ambulance service. Some have gone so far as to state that they wish they had not called 911 and would try to avoid doing so in the future.

In light of the losses described above, the current non-profit ambulance corporation cannot continue to provide the same or improved level of quality service into the future without community assistance and alternative funding sources. While WPAS has been able to pay for the necessary equipment to answer ambulance calls it has not been able to consistently provide ample staffing to operate this equipment. Furthermore, the costs to acquire these basic necessities are increasing faster than WPAS can pay for them. This leads to even further increases in patient charges.

Below is an overview of the financial situation challenging WPAS. As illustrated in the chart, WPAS on average is only able to collect about half of what it charges. The remaining charges are written off to bad debt. In addition, it demonstrates that in the previous years WPAS has been able to meet its expenses only by raising billing rates to unacceptably high amounts.



WPAS began implementing significant rate increases in 1999. From 1999 through 2003 the "gap" between "billed" and "received" continued to widen because we continue to experience a steady increase in the number of patients covered by Medicare, Medicaid, and the uninsured. WPAS posted losses in 1994, 1996, 1997, 1998, 2002, and 2003. Expenses have considerably exceeded income for 2 consecutive years and the trend is projected to worsen.

Unfortunately, raising the rates charged to patients has not yielded a proportional increase in collected revenue. Continuing declines in reimbursements by insurance companies and Medicare/Medicaid will shift more and more financial burden to the patients. If patients do not pay their charges, then expenses will exceed revenues and WPAS will be faced with reduction of services, further increase of rates, or a combination of both. WPAS attempts to collect charges from all eligible patients, however, written demands, telephone calls, and the use of professional collection agencies have largely failed to stem the

tide of bad debt. Essentially, those patients that can not or do not pay in effect transfer the burden of the high rates to those that do pay.

Spring and summer months are busier than fall and winter months. Various days of the week and certain hours of the day are busier than others. It is impossible to predict exactly when additional staff will be needed for busy periods so consistent base level staffing and equipment must always be provided to cover these unpredictably busy times. Financial resources are not available to pay for additional medics to cover the busiest times. Mill levy funding for the District will assure consistent funding for busy periods and improve ambulance coverage.

If the District is not formed, ambulance services will continue, however, rates will continue to increase and the level of services such as the availability of ambulances, quick response times, and up-to-date medical equipment will decline. Formation of the District with an appropriate mill levy will supplement patient billing to provide adequate capital and will also result in reduced user fees for District Patients. The District will also be able to rely upon the mill levy revenues to expand services as the community grows and service requirements increase.

The community needs, and we believe that the community demands, reliable and affordable emergency medical services. Provisions must be made to assure immediate response of at least two ambulances to concurrent calls with the availability of a third ambulance crew on call. This becomes essential for the community as population, traffic, and call volume continue to increase. Although WPAS currently has a sufficient number of ambulances and other medical equipment, it does not have the funding to provide the medical staff to reliably answer current and projected call demands. These services must be available to our patients, and at affordable rates. Creation of the District, and approval of its mill levy funding, will enable District Patients to experience lower costs and also more reliable ambulance services.

Therefore, formation and funding of the District will accomplish the following:

1. Provide an optimal level of professional staffing to assure a highly qualified and timely response to calls for help in periods of increasing call demand;
2. Continue the ability to provide this care with the most efficient and reliable equipment, facilities, and vehicles;
3. Reduce the out-of-pocket financial impact to District Patients, (Non-District Patients will be charged more for ambulance service); and
4. Elect a Board of Directors to manage the District assets for the benefit of the District residents and taxpayers.

V. Adherence to State Service Standards and Regulations and Compatibility with County and Municipal Planning

The District will have all powers and authorities to provide the services and facilities granted under the Special District Act of Title 32, Article I, Colorado Revised Statutes and as further described in this Service Plan both within and without District boundaries. More specifically the District shall have authority to provide emergency medical services and the transportation of sick, disabled, or injured persons by motor vehicle, aircraft, or other form of transportation to and from facilities providing medical services. Emergency medical services shall mean services engaged in providing initial emergency medical assistance, including but not limited to, the treatment of trauma and burns and respiratory, circulatory and obstetrical emergencies.

Other Authorities:

In addition to the powers enumerated herein, the District shall have the following authorities:

1. To amend the Service Plan as necessary, subject to compliance with all statutory procedures set forth in the Act, by providing written notice to the Counties pursuant to C.R.S. § 32-1-207, of any action or activity that the District believes is permitted by the Service Plan but which may be

unclear. In the event that the Counties determine not to enjoin any such action or activity by sending certified letter notice to the District, such determination shall constitute agreement that such action or activity is within the scope of the Service Plan;

2. To have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted to the District. C.R.S. § 32-1-1001(1)(n); and
3. Exercise the additional powers granted to it as described in C.R.S.§§ 32-1-1001, 32-1-1007, and 32-1-1101 as amended, and as applied to a special ambulance district.

The District will also operate in accordance with the provisions of C.R.S. § 25-3.5-101, *et seq*., the Colorado Emergency Medical and Trauma Services Act, as may from time to time be amended. The Colorado Emergency Medical and Trauma Services Act addresses the requirements of emergency medical services regarding licensure, training of staff, quality assurance for the service, operating under the license of a physician advisor, protocol, and public information, education, and injury prevention. The District will also comply with all applicable Colorado Code of Regulations such as enacted by the Colorado Board of Health, including 3-CCR-713-6 which address medical continuous quality improvement programs for ground ambulance services, 6 CCR 1015-3; Sections: 5.2.6; 5.2.8; 5.3.6; 5.3.8; 7.2.5; and, 7.2.9 which address specific training and education requirements.

The District will operate according to the provisions of Ambulance Service Licenses granted by the Boards of County Commissioners for Teller County, Resolution 9/30/96(70), "A Resolution to Establish and Regulate Emergency Medical Services in Teller County" and, Douglas County, Resolution No. R-000-138, "A Resolution Adopting Standards, Requirements and Procedures for Providing Emergency Medical Services", as they may from time to time be amended. The District shall continue as the successor to WPAS in participation and cooperation with other emergency medical providers operating within said counties. Additionally, it shall continue to work with the Teller County Emergency Medical Services Council, local fire protection districts, law enforcement agencies, and with its physician advisor in order to enhance its ability to provide coordinated and quality emergency medical response to all patients served by the District.

The District's proposed services do not appear to conflict with the present Master Plans or General Water Quality goals of Teller or Douglas Counties, or with the City of Woodland Park, nor with any revisions to the Master Plans, if any, now being considered. Furthermore, the services to be provided by the District do not appear to conflict with the intent of any of the service plans of the affected Fire Protection Districts or with the services that are provided by the same.

We also believe that the facility and service standards of the District are not only compatible with but will enhance the facility and service standards of the Counties, other Special Districts and the City involved. In accordance with all provisions of C.R.S. § 32-1-207(3)(c) and (d), a Special District annual report shall be filed with the boards of county commissioners for a period of fifteen years following its organization.

VI. Proposed Services

Establishment of the District will directly benefit the District Patients through improved service and reduced out-of-pocket expenses. Patients that do not reside in or pay property taxes to the District will continue to receive the same superior service, but will be charged more (including without limitation the Non-District Patient Fee referenced in Exhibit 5) and will not be eligible for the discount benefits provided to the District Patient.

The District will provide emergency medical response, treatment, and medically necessary ambulance transport, as well as standby services within the District boundaries to District Residents and taxpayers, and others who require emergency medical services. It will employ sufficient staff, acquire, own, and operate suitable emergency and non-emergency vehicles, communications equipment, medical devices, facilities, and other equipment necessary to provide the ambulance services proposed by the District. The District will occupy facilities located at 785 Red Feather Lane in Woodland Park, Colorado, as its headquarters and base of operations, and/or relocate to any other location deemed necessary by the District for the provision of timely emergency response. Additionally, the District may provide these services outside of the

boundaries of the District pursuant to existing and future agreements with other fire protection, ambulance, and hospital entities.

WPAS operates four ambulances from its headquarters in the city of Woodland Park. Two ambulances are currently encumbered by vehicle purchase bank loans. WPAS owns, without lien, the rest of its vehicles, medical equipment and the headquarters in Woodland Park. All of these assets, and the encumbrances as identified, will be transferred to the District upon its organization. The District plans to increase staffing and acquire new vehicles and medical equipment as the needs arise to meet the service requirements of the District. It will continue to operate from the existing facility and then expand it or relocate to larger quarters as operational growth demands and financial resources become available. Although there are currently no specific plans for new or additional facilities, at such time as financial resources become available the District will consider the possible relocation of its headquarters to the campus of the Pikes Peak Regional Medical Center or another location. As operational needs are identified and funding becomes available, substations will be planned and constructed in consultation with area fire protection districts and other interested parties. Any new facilities will be located, planned, and constructed according to all applicable city/county building codes, land use regulations and controls, and other like requirements.

Furthermore, the District intends to continue to use the Northeast Teller County Fire Protection District radio frequency to dispatch ambulances and members. However, it is anticipated that the District will eventually acquire its own radio frequency for future use in coordination with other emergency medical organizations and fire protection districts. The District will acquire all communications equipment currently owned by WPAS. **Exhibit 5** located on Page 48 lists WPAS assets to be transferred to the District upon its organization.

Finally, current staffing levels permit the timely response of only the first ambulance to calls; however, delays in responding to immediately consecutive calls are frequently experienced. It is the intent of the District to increase current staffing levels by two full-time medics per shift. This would ensure a quick response of two ambulances, twenty-four hours a day, seven days a week by five on-duty crewmembers. The District also intends to provide for one additional paid "on-call" medic which will allow for a more timely response for a third ambulance. The response of a fourth ambulance would be staffed by per-diem members summoned by radio or alpha-numeric page, the current practice for the second, third, and fourth out ambulance. Additions to the proposed staffing plan will be based on future need and available funding resources at that time.

VII. Intergovernmental Agreements

WPAS operates under licenses to provide service in Teller, Douglas, El Paso, Jefferson, and Park Counties. It also provides and receives services through mutual aid agreements with other ambulance services in the area. The District intends to assume or acquire the rights and obligations under these and other necessary agreements. Examples of potential intergovernmental and mutual aid agreements are included in this Service Plan and are incorporated as **Exhibit 4** beginning on Page 32, Intergovernmental Agreements.

VIII. Financial Information

This section describes the nature, basis, method of funding, and mill levy limitations associated with the District's public services and operations. The Financing Plan is set forth in **Exhibit 5** located on Pages 48-57 of this Service Plan, and demonstrates that the financial operations of the District will (i) provide economic and sufficient services within the District; (ii) have the financial ability to discharge the proposed District indebtedness on a reasonable basis; (iii) protect future property owners from onerous property taxes or District bond defaults; and (iv) not subject the Counties to any present or future liability with respect to District bonds or other obligations. The Financing Plan shows that, at the projected levels of assessed valuation, the District will have the economic ability to provide services and facilities necessary for continued and viable operations and to pay for service costs likely to be incurred by the District, relying upon a combination of reasonable tax levies, fees, and charges. No funds or assets of the Counties, Cities,

or other Special Districts shall be pledged as security for the repayment of debt incurred by the District, nor shall they have any financial liability of any nature for the District's operations.

An estimated budget for the first full year of operation of the District is summarized in **Exhibit 5** located on Page 50, and includes estimated creation, operation, administration, and maintenance costs of the District along with future estimates through 2012. The District will not need to purchase new physical resources and does not foresee the need for the issuance of debt at this time. With the exception of the previously mentioned ambulance loan, the District will instead acquire from WPAS all of its physical assets **without cost** to the District as long as the voters approve all elements of District formation. Furthermore, the District will acquire the assets held in all bank accounts of WPAS and assume its accounts receivable balance for the continuance of operations of the ambulance service. To reduce the need to increase initial indebtedness, the District will not add additional staff and equipment, nor offer discounts to District Patients, until ad valorem tax funds are being received. Furthermore, additional services, personnel and discounts will be continued only if available funding continues to support such programs. Funding for future staff and capital improvements such as new ambulances, medical equipment, and facilities has been budgeted based upon a proposed floating mill levy not to exceed the voter approved maximum 4.5 mill cap, continued patient billing, and the establishment of capital reserve accounts. However, if the District determines there is a need for general obligation or revenue bonds to be issued, the District may seek approval from the eligible electors of the District to issue the indebtedness. Prior to issuing bonded indebtedness, the District will notify the Counties, which may review the proposed bonded indebtedness and determine whether it constitutes a material modification of the Service Plan.

General:

The provision of service by the District will be funded primarily through fees billed for service, donations, grants, and property taxes levied under the authority of the District. Therefore, there are two primary components to the financial plan for the Ute Pass Regional Ambulance District. First, the District must assure itself of adequate financial resources to continue to provide ambulance services to its patients. Second, these services must be affordable to District Patients in order to assure that District Patients are making emergency medical care decisions and not financial decisions regarding when to call an ambulance in an emergency. The establishment of the District along with the associated mill levy is not intended to replace or negate the necessity of billing patients for services. It is, however, intended to provide the District with the necessary predictable income to sustain and then improve upon the services already provided and to ensure adequate services in the future. Establishing an ambulance service funded solely through tax dollars, without billing for services, would require a tax assessment greater than ten mills. To ignore the other sources of reimbursement such as the billing of insurance companies, various governmental programs (Medicare and Medicaid), and patients would be irresponsible to the taxpayers who support the District.

The proposed mill levy will float, but not exceed the maximum 4.5 mill cap. This ensures stable funding for periods of low call volume alternating with periods of higher call volume, better assuring that more ambulances are ready to respond to emergency calls. The floating mill levy of the financial plan allows the District to annually adjust the mill rate to compensate for increases or decreases in income from patient billing as the payer mix changes. The plan will permit the District to estimate future budgets based upon current trends and allow for incremental increases or decreases in the mill rate that will not exceed the maximum 4.5 mill cap. As shown on the Budget Summary, located on Page 50 of this Service Plan, demonstrates how the estimated projected mill levy adjusts between 2005 and 2012. Mill levies will be determined by estimating patient income based on call volume, transport percentage, and recent payer mix (insured, Medicare, Medicaid, and uninsured). Expenses will be estimated, to include proposed service enhancements, and this amount will be subtracted from the projected patient income. The remaining revenue shortage will be funded by the floating mill levy which will be increased or decreased as needed but will not exceed the maximum 4.5 mill levy cap. Therefore, the district will not be able to increase the mill levy to a point that exceeds the maximum mill levy cap of 4.5 mills without prior voter approval. District taxpayers could realize decreases in the mill rate proposed by the District if collections from ambulance service billing improve and expenses are less than estimated. The District will continue to apply for and accept grants and donations as a way to fund capital expenditures, thereby reducing the amount paid by taxpayers.

District Patients will be able to reduce the financial worry from calling 911 for an ambulance. Many former patients have expressed concern and have complained about how much it cost them personally (even after insurance payments) to use an ambulance to receive emergency care. This plan provides maximum flexibility for the District to provide its services and reduces direct cost to its District Patients. Since the Centers for Medicare and Medicaid Services (CMS) has ruled in the CMS Carrier Manual, Sections 2309.4 and 3153.3A, that a "State or municipal ambulance company that is a Medicare Part B supplier may reduce or waive its charges for patients unable to pay, or bill patients only to the extent of their Medicare and other health insurance coverage, is not viewed as furnishing free services and may therefore receive program payment." Therefore, the District will continue to bill and receive payment from applicable insurance companies for all patients. District Patients will benefit significantly as they will receive a discounts on their ambulance charges. The benefits of this plan do not apply to Non-District Patients. Non-District Patients will be charged more and will not receive the discounts provided to the District Patients.

To permit the District to collect and retain funding from patient/insurance billing, grants, the established mill levy, and to establish reserve accounts, the District must be allowed to retain and spend all revenues generated from its mill levy, so long as the voter approved maximum mill levy rate is not increased without additional voter approval. The voters will be asked to approve the formation of the District, to establish the maximum mill levy on taxable property, and to relieve the District from spending and revenue limitations imposed by the TABOR amendment to the Colorado Constitution and the 5.5% revenue limits imposed by C.R.S. § 29-1-301, *et seq*. Requirements that voters approve future increases in the maximum mill levy rate will protect the taxpayers from unlimited tax burden. In order to offer District Residents improved and reliable emergency medical transport services at a level to which they are accustomed, ALL of the questions and issues placed before the District's voters MUST be approved. If any of these authorizations is not approved, organization of the District shall not be finalized. If the District is not fully authorized as proposed, all patients will be required to continue to pay the standard rates as established by the not-for-profit service. Also, no improvements in staffing, equipment, and readiness will be made in the foreseeable future. Establishing the District without the requested exemptions would significantly decrease the financial viability and benefits that would otherwise be provided by the District and render it unable to implement some aspects of this Service Plan. Furthermore, since private entities are more restricted by Federal law than municipal agencies, WPAS will not be permitted to provide District Patients with the proposed District discounts.

Initial and Future Indebtedness:

Upon establishment, the District will be encumbered by a WPAS loan for the purchase of two, Type I, Ford F-350, Wheeled Coach, 4X4 ambulances. The estimated principal amount outstanding at the time the District is formed will be $77,392.83. This vehicle purchase loan will be converted into a lease purchase program. Specifics of this debt are detailed below. It is anticipated that this indebtedness will be retired by the end of 2006.

Purchase Price	Ambulance 1:	$ 85,169.00	
	Ambulance 2:	$ 85,169.00	
Total:		$170,338.00	
Down Payment made by WPAS:		$ 34,068.00	
Remaining Balance:		$136,270.00	
Payments made through 12/31/2004 by WPAS		$ 58,877.17	
Remaining balance to be assumed by the District:			**$ 77,392.83**

Future District indebtedness and the need for the issuance of general obligation bonds will be reduced through the creation of capital equipment reserve accounts. Purchases will be specifically budgeted for and funded from the reserve accounts. This will allow the District to save for, and acquire new facilities, ambulances, communications, and other medical equipment without asking for additional tax dollars or raising user fees. Because the District will assume the physical and financial assets currently owned by WPAS without cost, the District will not need to issue bonds to purchase these assets in order to establish the District and initiate services. Since these assets and facilities will be sufficient to meet District needs

upon creation of the District, the reserve accounts will be funded only after the District begins to receive tax dollars. If at anytime the need arises in the future for the District to finance new equipment and/or facilities not already supported by this financing plan, the District will establish lease purchase agreements from lending institutions with regard to the best terms and lowest interest rates possible. In addition, if the District determines there is a need for bonds to be issued in the future to support capital requirements of the District, it may seek approval to issue the indebtedness from the eligible electors of the District. Prior to issuing bonded indebtedness, the District will notify the Counties, which may review the proposed bonded indebtedness and determine whether it constitutes a material modification of this Service Plan.

Identification of District Revenue:

The District will acquire all financial bank accounts and accounts receivable of WPAS. This eliminates the need to issue bonds to establish the District. The District will charge a floating mill levy, up to a maximum of 4.5 mills, on all taxable property in the District as a source of revenue. The Board of Directors for the District will be authorized to increase or decrease the mill levy rate but the total mill rate shall not exceed the maximum 4.5 mill cap. A mill levy rate that exceeds the maximum 4.5 mills must be approved by the voters of the District, in advance, before these increases could be assessed. Any increase in the mill levy cap above 10 mills will be considered a material modification to this Service Plan. The District will also continue the billing of patients, insurance companies, and government programs. Furthermore, it will continue to seek and accept federal, state, local and private grants and accept donations as other sources of income. Revenues generated will be used by the District to pay its operational and capital funding needs.

The mill levy to be charged is floating up to a maximum 4.5 mill cap and the financing plan and budgets attached to this Service Plan demonstrate that the flexibility of these revenues generated from such a mill levy will be sufficient to realize the purposes of the District as set forth in this Service Plan. Collecting up to the maximum 4.5 mill cap, continuing to bill for services, and applying for and retaining future grants will permit the District to pay its operational expenses as well as save for future needs. The plan also provides discounts for District Patients who utilize District services and allows potential reductions and increases in the mill rate depending on the current financial needs of the District. A lower constant mill levy would generate insufficient revenues for the District's long-term success, and would require the District to ask for a tax increase in the future, an event that the District wishes to avoid if at all possible. The District's Board of Directors, to the extent reasonably possible, will attempt to ensure that the actual property tax revenues generated by the Floating mill levy rates enhance the revenues collected from patient billing and grants received for the successful operation of the District. The established mill levy provides funding which will address current as well as future needs as the area continues to grow.

Organization of the District will ensure continued ambulance operations through a reasonable mill levy while at the same time providing economic benefits to District Patients. Patients will be billed for the provision of such services according to their status as District Patients versus Non-District Patients. This will ensure that the District Residents and taxpayers are not paying more than their fair share of the continuing operations of the District. Because of mill levy funding, the District intends to limit future increases of the base rates, mileage, and other service charges.

Organizational Costs:

Total costs associated with preparation of the Service Plan, public hearings, court proceedings, elections, and other costs related to the organization of the District are estimated to be $35,000.

IX. Modification of Service Plan

The District will obtain the prior approval of the Counties before making any material modifications to this Service Plan. Material modifications shall be determined in accordance with C.R.S. § 32-1-207, and shall include all modifications of a basic or essential nature. Approval shall not be required for modification to the Service Plan of a technical or mechanical nature necessary for the execution of the authorization provided as part of this Service Plan. If the District proposes to include additional territory that is within another organized fire protection district, the District will give written notice to the Counties and

municipalities, and the Boards of County Commissioners may review such inclusion and, if one or more determines that the inclusion constitutes a material modification, may require the governing body of the District to file a modification of its Service Plan in accordance with provisions of C.R.S. § 32-1-207 (2). If landowners voluntarily petition to be included in the District, and their lands are not included within another ambulance or fire protection district, no county or municipal approval shall be required, nor will such inclusion be considered a material modification of this Service Plan, unless the territory is located within a county or municipality in which the District does not previously exist. If the District wishes to include land within a county or municipality in which the District does not previously exist, such inclusion will be considered a material modification of the Service Plan.

No fewer than forty-five (45) days prior to the proposed inclusion of additional territory that is within another organized fire protection district, the District shall submit a revised Service Plan to Teller and Douglas Counties for review, comment, and determination within 30 days thereafter whether a modification pursuant to C.R.S. § 32-1-207 (2) is required. The revised Service Plan shall contain, without limitation, that information (as revised) required pursuant to C.R.S. § 32-1-202(2)(a)through(i) as if for an original approval, and a letter of consent from the district to be overlapped.

X. Resolution of Approval

Resolutions of Approval obtained from the Boards of County Commissioners of Douglas and Teller Counties will be incorporated as part of this Service Plan in **Exhibit 6,** on Page 58 and 59.

XI. Dissolution

At the request of the two Counties, the District shall initiate and diligently pursue dissolution in accordance with C.R.S. § 32-1-701, *et seq*., at such time as the Counties or another appropriate entity:

1. Agree to provide comparable service for the same or less user fees as outlined in this Service Plan;
2. Agree to provide comparable operations and maintenance of ambulance operations as the District;
3. Determine that all necessary equipment, staffing, billing, improvements, and facilities have been established or constructed and, upon dissolution of the District will be adequately managed and operated; and,
4. Ensure that all debt incurred for such facilities has been repaid or arrangements for repayment have been made.

XII. Conclusion

This Service Plan has demonstrated that Ute Pass Regional Ambulance District must be created and funded. There is a need for better and more reliable ambulance response in the area and WPAS will not be able to continue to provide necessary services with existing funding. No Fire Protection District, City, or County entity within the boundaries of the proposed District is capable of, or interested in, providing services comparable to WPAS or the District in any reasonable timeframe. If the voters do not establish the District, ambulance services will continue but it will be increasingly difficult to provide the current level of service in the face of ever increasing demands. The upward spiral of costs to all patients will also continue. If the District is created as proposed, then patients that reside in and/or pay taxes to the District will directly benefit from improved ambulance services and lower ambulance charges.

Pursuant to the requirements of the Special District Control Act, C.R.S § 32-1-201, *et seq*., the following statutory elements have been addressed as part of this Service Plan:

1. A description of the proposed services;
2. A financial plan showing how the proposed services are to be financed;
3. A Preliminary Survey showing how proposed services are to be provided (to be provided through existing facilities).

4. A map of the District's boundaries and an estimate of the population and valuation for assessment of the District;
5. A general description of the facilities to be constructed and the standards for such construction, including a statement of how the facility and service standards of the District are compatible with facility and service standards of the Counties, municipalities, and special districts which are interested parties pursuant to C.R.S. § 32-1-204(1);
6. A general description of the estimated cost of acquiring land, engineering services, legal services, administrative services, initial proposed indebtedness and proposed maximum interest rates and discounts, and other major expenses related to the organization and initial operation of the District;
7. A description of an arrangement or proposed agreement with any political subdivision for the performance of any services between the District and such other political subdivision;
8. Information satisfactory to establish that each of the following criteria as set forth in C.R.S. § 32-1-203 has been met:

    A. There is sufficient existing and projected need for an organized emergency medical service in the area to be serviced;
    B. The existing service in the area to be served is inadequate for present and projected needs;
    C. The District will be capable of providing economical and sufficient service to the area within a reasonable time and on a comparable basis within its boundaries;
    D. That the area included in the District has, or will have, the financial ability to discharge the proposed indebtedness on a reasonable basis;
    E. Adequate service is not, and will not be, available to the area through the Counties or other existing municipal or quasi-municipal corporations, including existing special districts within a reasonable time and on a comparable basis;
    F. The facility and service standards of the District are compatible with the facility and service standards of the Counties within which the District is to be located and each municipality which is an interested party under C.R.S § 32-1-204 (1);
    G. The proposal is in substantial compliance with any master plan adopted by Teller, and Douglas Counties pursuant to C.R.S § 30-28-106;
    H. That the proposal is in compliance with any duly adopted city, county, regional, or state long-range water quality management plan for the area; and
    I. The creation of the District will be in the best interest of the area to be served.

GLOSSARY OF TERMS

Ad Valorem:	According to the value.
Advanced Life Support:	Emergency medical care, including basic life support, that involves advanced and invasive treatment including, but not limited to, invasive airway maneuvers, intravenous medicine administration, advanced cardiac care and advanced trauma care.
ALS:	See – Advanced Life Support.
Bad Debt:	The unpaid accounts of patients that have been referred to a collection agency and/or written-off because of non-payment.
Basic Life Support:	Non-invasive emergency care to include, but not limited to, CPR, splinting, airway support, some medicines, administering oxygen, and wound management.
BLS:	See – Basic Life Support.
Cancellations:	An ambulance call that is terminated for any reason prior to establishing patient contact.
Career:	An employee of the District who is a fulltime provider of medical care.
C.R.S.:	Colorado Revised Statutes.
District Patient:	Any patient who is a resident of the District or owns property within the boundaries of the District. Additional definitions of residence are as defined in Section 1-2-102 (1) (a) (I), and 1-2-102(1) (b), C.R.S.
District Resident:	Any person who is a resident of the District or owns property within the boundaries of the District. Additional definitions of residence are as defined in Section 1-2-102 (1) (a) (I), and 1-2-102(1) (b), C.R.S.
Emergency Medical Technician:	A State certified emergency medical provider capable of providing Basic Life Support level care.
EMT:	See - Emergency Medical Technician.
Government Sponsored Programs:	Medicare, Medicaid, CICP (Colorado Indigent Care Program), etc.
Incorporated:	An area located within the city limits.
Medic:	A State certified medical provider whether Paramedic or EMT.
Mutual Aid:	An agreement between two or more like entities designed to allow one to provide services in the other's area during times of high volume or overwhelming situations.

Non-District Patient	Any patient who is not a resident of the District, and does not own property within the boundaries of the District. Additional definitions of residence are as defined in Section 1-2-102 (1) (a) (I), and 1-2-102 (1) (b), C.R.S..
Non-District Resident	Any person who is not a resident of the District, and does not own property within the boundaries of the District. Additional definitions of residence are as defined in Section 1-2-102 (1) (a) (I), and 1-2-102 (1) (b), C.R.S..
Paramedic:	A State certified emergency medical provider capable of providing Advanced Life Support level care.
Part-Time:	A provider who is employed by the District (Paramedic/EMT) to cover a shift or part of a shift when a Career provider is unavailable.
Per-Diem:	A provider who is employed by the District (Paramedic/EMT, career or part-time) who comes in to stand-by or run a call while off-duty.
Physician Advisor:	A Licensed Emergency Physician designated by the District to provide quality assurance and create protocols under which the District can operate.
Refusals:	An ambulance call that is terminated after patient contact when the patient declines care and/or transport.
Third Party Payer:	A person or company, other than the patient to whom service was provided, who is responsible for paying the cost.
Unincorporated:	An area located outside of the city limits.

Reviewers, Contributors, and References

Reviewers and Contributors:

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Board of Directors, Mountain Communities Fire Protection District, Mr. Steven Brown Chairman;
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Williamson, Dick; Resident Advisor; Florissant, Colorado.

References-Service Plans:

Cascade Fire Protection District, Service Plan;
Divide Fire Protection District, Service Plan;
Eagle County Emergency Services Hospital District, Service Plan;
Green Mountain Falls – Chipita Park Fire Protection District, Service Plan;
Mountain Communities Fire Protection District, Service Plan;
Northeast Teller County Fire Protection District, Service Plan;
Platte Canyon Ambulance District, Service Plan;
South Park Ambulance District, Service Plan;
Southwest Teller County Hospital District, Service Plan; and
Upper San Juan Hospital District, Service Plan.

References-Other:

Colorado Department of Local Affairs, Special District Assistance: Special District Service Plans, Compliance Calendar, And Elections: Quick Reference Guide, and Formation and Statutory Responsibilities;
Colorado Department of Transportation, Traffic Summaries and Estimates for US Highway 24 and Colorado Highway 67;
Colorado Revised Statues, Titles 25 and 32;
Douglas County, Colorado, Ambulance Resolution;
Douglas County, Colorado, Assessor's Office, Estimated Assessed Values for Ute Pass Regional Ambulance District;
Douglas County, Colorado, Special District Formation Procedures;
Pikes Peak Area Council of Governments, The Teller County Profile, year 2002;
Teller County, Colorado, Ambulance Resolution; and
Teller County, Colorado, Assessor's Office, Estimated Assessed Values for Ute Pass Regional Ambulance District.

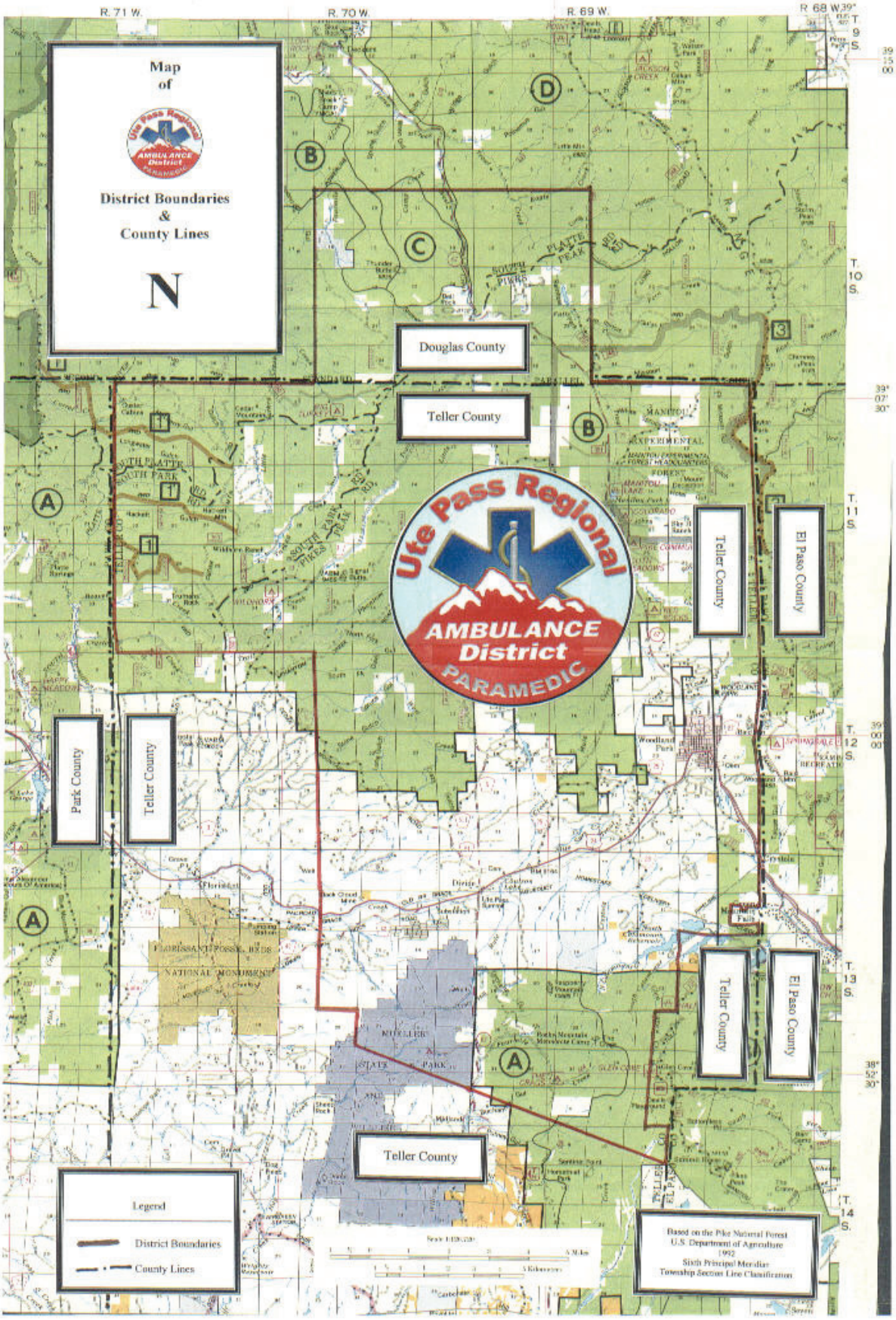
Legal Description — Exhibit 1

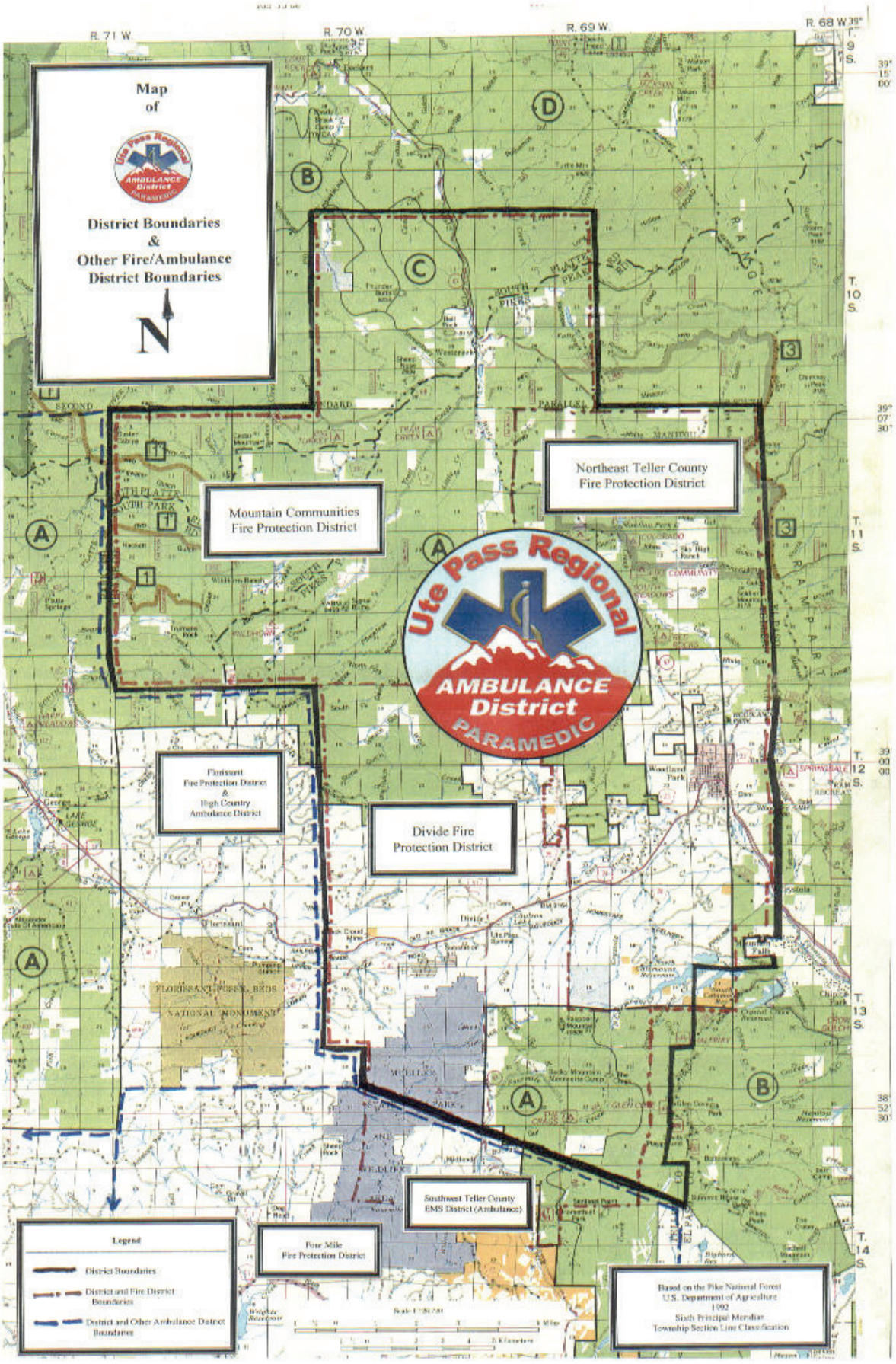
Douglas County:

Township 10 South – Range 70 West	Section 9-16, 21-28, 33-36
Township 10 South – Range 69 West	Section 7-9, 16-21, 28-33

Teller County:

Township 11 South – Range 71 West	Section 1-3, 10-15, 22-27, 34-36
Township 11 South – Range 70 West	Section 1-36
Township 11 South – Range 69 West	Section 1-36
Township 11 South – Range 68 West	Section 6, 7, 18, 19, 30, 31
Township 12 South – Range 71West	Section 1-3
Township 12 South – Range 70 West	Section 1-6, 9-16, 21-28, 33-36
Township 12 South – Range 68 West	Section 6, 7, 18, 19, 30, 31
Township 12 South – Range 69 West	Section 1-36
Township 13 South – Range 70 West	Section 1-4, 9-16, 21-27 and those parts of 34 – 36 that lie north of a line beginning at the NW corner of Section 34, Township 13 South – Range 70 West going Southeasterly and ending at the SE corner of Section 11, Township 14 South – Range 69 West
Township 13 South – Range 68 West	Section 6, and Section 7 excluding the SE ¼ NW ¼, the SE ¼ NE ¼, the NE ¼ SW ¼, the N ½ SE ¼ and the SW ¼ NE ¼ except the NE ¼ SW ¼ NE ¼
Township 13 South – Range 69 West	Section 1-12, 14-23, the W ½ of Section 26, Section 27-34, and the W ½ of Section 35
Township 14 South – Range 70 West	That part of Section 1 that is north of a line beginning at the NW corner of Section 34, Township 13 South – Range 70 West, going Southeasterly and ending at the SE corner of Section 11, Township 14 South – Range 69 West
Township 14 South – Range 69 West	The W ½ of Section 2, Section 3, and those parts of 4-6, 9-11 that are north of a line beginning at the NW corner of Section 34, Township 13 South – Range 70 West, going Southeasterly and ending at the SE corner of Section 11, Township 14 South – Range 69 West.


Map
of
Ute Pass Regional
AMBULANCE District
PARAMEDIC
District Boundaries
&
County Lines
N
R. 71 W.
R. 70 W.
R. 69 W.
R. 68 W.
T. 9 S.
T. 10 S.
T. 11 S.
T. 12 S.
T. 13 S.
T. 14 S.
Douglas County
Teller County
El Paso County
Park County
Legend
District Boundaries
County Lines
Based on the Pike National Forest
U.S. Department of Agriculture
1992
Sixth Principal Meridian
Township Section Line Classification


Map
of
District Boundaries
&
Other Fire/Ambulance
District Boundaries
N
R. 71 W.
R. 70 W.
R. 69 W.
R. 68 W.
Mountain Communities
Fire Protection District
Northeast Teller County
Fire Protection District
Florissant
Fire Protection District
&
High Country
Ambulance District
Divide Fire
Protection District
Southwest Teller County
EMS District (Ambulance)
Four Mile
Fire Protection District
Ute Pass Regional
AMBULANCE
District
PARAMEDIC
Legend
District Boundaries
District and Fire District
Boundaries
District and Other Ambulance District
Boundaries
Based on the Pike National Forest
U.S. Department of Agriculture
1992
Sixth Principal Meridian
Township Section Line Classification



Population Estimates

Exhibit 2

Population Estimates by Census Tracts & Block Groups
From 2000 Census

	Total Population by Block	Percentage Covered by District	Estimated District Population
Census Tract 101.03, Block Group 1, Teller County, CO	1,358	100%	1,358
Census Tract 101.03, Block Group 2, Teller County, CO	2,086	100%	2,086
Census Tract 101.03, Block Group 3, Teller County, CO	1,536	100%	1,536
Census Tract 101.03, Block Group 4, Teller County, CO	1,894	100%	1,894
Census Tract 101.04, Block Group 1, Teller County, CO	351	100%	351
Census Tract 101.04, Block Group 2, Teller County, CO	1,688	100%	1,688
Census Tract 101.05, Block Group 1, Teller County, CO	1,187	70%	831
Census Tract 101.05, Block Group 2, Teller County, CO	2,762	50%	1,381
Census Tract 101.05, Block Group 3, Teller County, CO	1,637	100%	1,637
Census Tract 101.06, Block Group 1, Teller County, CO	1,274	30%	382
Census Tract 101.06, Block Group 2, Teller County, CO	682	65%	443
Census Tract 101.06, Block Group 3, Teller County, CO	1,098	26%	285
Census Tract 143 (part), Westcreek CDP, Douglas County, CO	105	100%	105
	17,658		13,978
Estimated Increase from 2000-2003 @ .62%/year (Extrapolated from Teller County Profile)			260
Estimated 2003 District Population:			**14,238**

Population Estimates by Zip Code
From 2000 Census

	2000 Census	1990 Census
80863-Woodland Park Area	11,288	8,361
80814-Divide Area	3,531	1,799
80866-Turkey Creek, North Teller County getting mail in Woodland Park	99	0
Westcreek area unknown	0	0
Total Change	14,918	10,160
Estimated Increase from 2000-2003 @ .62%/year	260	
Estimated 2003 District Population:	**15,178**	

Population Estimates by Census Tracts & Block Groups
From 1990 Census

	Total Population by Block	Percentage Covered by District	Estimated District Population
Census Tract 101.01, Block Group 1, Teller County, CO	657	75%	493
Census Tract 101.01, Block Group 2, Teller County, CO	1,807	25%	452
Census Tract 101.01, Block Group 3, Teller County, CO	664	50%	332
Census Tract 101.01, Block Group 4, Teller County, CO	1,453	80%	1,162
Census Tract 101.02, Block Group 1, Teller County, CO	1,033	100%	1,033
Census Tract 101.02, Block Group 2, Teller County, CO	1,368	100%	1,368
Census Tract 101.02, Block Group 3, Teller County, CO	979	100%	979
Census Tract 101.02, Block Group 4, Teller County, CO	615	100%	615
Census Tract 101.02, Block Group 5, Teller County, CO	1,361	100%	1,361
Census Tract 101.02, Block Group 6, Teller County, CO	1,250	100%	1,250
Census Tract 143 (part), Westcreek CDP, Douglas County, CO	80	100%	80
	11,267		9,125
Total estimated percent population change of District: 1990-2000	**57%**		**53%**
Total estimated population change of District: 1990-2000	**6,391**		**4,853**

Data Source: United States Census Bureau

Traffic on Highway 24 & Highway 67 per Day
Historical 1980-2002 (1)
Projected 2005 & 2010 (2)

Year

Location US Highway 24	Historical					Projected			
	1980	1990	% Change	2002	% Change	2005	% Change	2010	% Change
24 W/O CR 46	1,927	3098	61%	4,503	45%	4,827	7%	5,368	11%
24 W/O CR1, Florissant	2,103	3,439	64%	5,042	47%	5,405	7%	6,010	11%
Hwy 24 & CR 1, Florissant	2,264	3,769	66%	5,576	48%	5,969	7%	6,624	11%
On HWY 24 0.9 MI W/O Divide	1,910	5,006	162%	8,722	74%	9,455	8%	10,676	13%
Hwy 24 & Hwy 67 in Divide	3,104	9,279	199%	16,689	80%	21,120	27%	28,505	35%
Hwy 24 & Hwy 67 in Woodland Park	7,293	12,865	76%	19,551	52%	24,742	27%	33,393	35%
Hwy 24, East of Woodland Park	10,844	16,607	53%	23,523	42%	24,338	3%	27,942	15%

Location Colorado Highway 67	Historical					Projected			
	1980	1990	% Change	2002	% Change	2005	% Change	2010	% Change
SH 67 S/O SH 24 Divide	1,510	3,433	127%	5,740	67%	6,317	10%	7,278	15%
SH 67 W/O SH 24, Woodland Park	5,385	7,223	34%	9,430	31%	9,982	6%	10,901	9%
On SH 67 N/O Gunnison Ave, Woodland Park	4,093	5,491	34%	7,168	31%	7,587	6%	8,286	9%
On SH 67 N/O Lovell Gulch Rd., CR 73, Woodland Park	1,294	1,936	50%	2,266	17%	2,399	6%	2,619	9%
On SH 67 N/O CR 75	1,195	1,602	34%	2,092	31%	2,214	6%	2,656	20%
On SH 67 SO CRS 75 & 126, Deckers	12	277	2208%	594	114%	673	13%	774	15%

(1) Historical data from Colorado Department of Transportation (CDOT) traffic volume for Highways 24 & 67
(2) Estimates from CDOT, 2005 & 2010

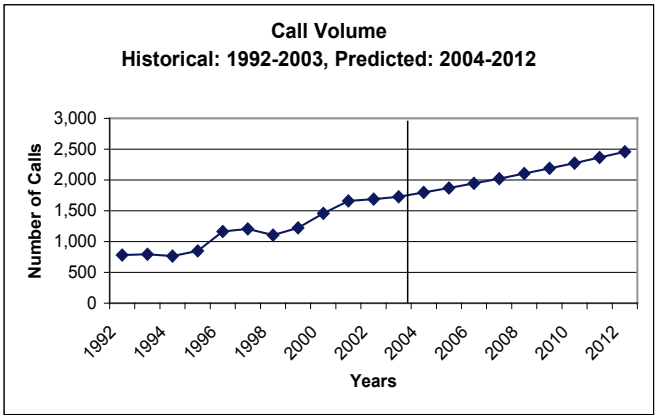
Hwy = Highway, SH = State Highway, N/O = North of, W/O = West of, S/O = South of, E/O = East of, CR = County Road; and, CRS = County roads

Data Source: Colorado Department of Transportation, Traffic Summaries

Call Volume

Exhibit 2

	Year	CALLS			TRANSPORTS			
		Number of Calls	Increase/ Decrease Calls	% Calls Increase/ Decrease	Transports	Transport % of Total Calls	Increase/ Decrease Transports	% Transport Increase/ Decrease
Historical:	**1992**	782			407	52%		
	1993	795	13	2%	437	55%	30	7%
	1994	763	-32	-4%	374	49%	-63	-14%
	1995	847	84	11%	449	53%	75	20%
	1996	1,164	317	37%	617	53%	168	37%
	1997	1,204	40	3%	762	63%	145	24%
	1998	1,107	-97	-8%	699	63%	-63	-8%
	1999	1,222	115	10%	819	67%	120	17%
	2000	1,456	234	19%	829	57%	10	1%
	2001	1,658	202	14%	922	56%	93	11%
	2002	1,689	31	2%	856	51%	-66	-7%
	2003	1,728	39	2%	870	50%	14	2%
Projected: (1, 2)	**2004**	1,797	69	4%	952	53%	82	9%
	2005	1,869	72	4%	991	53%	39	4%
	2006	1,944	75	4%	1,030	53%	39	4%
	2007	2,022	78	4%	1,072	53%	42	4%
	2008	2,103	81	4%	1,115	53%	43	4%
	2009	2,187	84	4%	1,159	53%	44	4%
	2010	2,274	87	4%	1,205	53%	46	4%
	2011	2,365	91	4%	1,253	53%	48	4%
	2012	2,460	95	4%	1,304	53%	51	4%



Historical Annual Averages 1992 - 2003	
1,201	Calls
670	Transports
56%	Transport Average

1992-2003 Average / Year Increases	
86	Calls
42	Transports
8%	Call % Increase
8%	Transport % Increase

(1) Conservative call estimates for 2004 - 2012 determined by calculating the average annual increase in calls (8%) then dividing it in half, or 4%

(2) Conservative transport estimates for 2004-2012 were determined to be 53% of calls.

Assessed Valuation

Exhibit 3

Includes only Taxable Properties

County	Year									
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Assessed - Teller	157,907,060	161,065,201	172,339,765	175,786,560	188,091,619	191,853,451	205,283,193	209,388,857	224,046,077	228,526,999
Assessed - Douglas	2,863,498	2,920,768	3,125,222	3,187,726	3,410,867	3,479,084	3,722,620	3,797,072	4,062,867	4,144,124
Total Assessed Valuation	**160,770,558**	**163,985,969**	**175,464,987**	**178,974,286**	**191,502,486**	**195,332,535**	**209,005,813**	**213,185,929**	**228,108,944**	**232,671,123**
		2% Change	7% Change	2% Change	7% Change	2% Change	7% Change	2% Change	7% Change	2% Change

Data Source: All information came from the Assessors Offices for Teller and Douglas Counties.



Estimated Impact of 4.5 Mill Tax on Residential, Commercial and Vacant Properties

Exhibit 3

Residential Property

Actual Value	Conversion	Assessed Value	Mill *	Tax Per Year	Tax Per Month	Tax Per Day
$100,000	7.96%	$7,960	0.0045	$35.82	$2.99	$0.10
$150,000	7.96%	$11,940	0.0045	$53.73	$4.48	$0.15
$200,000	7.96%	$15,920	0.0045	$71.64	$5.97	$0.20
$250,000	7.96%	$19,900	0.0045	$89.55	$7.46	$0.25
$300,000	7.96%	$23,880	0.0045	$107.46	$8.96	$0.29
$350,000	7.96%	$27,860	0.0045	$125.37	$10.45	$0.34
$400,000	7.96%	$31,840	0.0045	$143.28	$11.94	$0.39
$450,000	7.96%	$35,820	0.0045	$161.19	$13.43	$0.44
$500,000	7.96%	$39,800	0.0045	$179.10	$14.93	$0.49

Commercial & Vacant Property

Actual Value	Conversion	Assessed Value	Mill *	Tax	Tax Per Month	Tax Per Day
$100,000	29.00%	$29,000	0.0045	$130.50	$10.88	$0.36
$150,000	29.00%	$43,500	0.0045	$195.75	$16.31	$0.54
$200,000	29.00%	$58,000	0.0045	$261.00	$21.75	$0.72
$250,000	29.00%	$72,500	0.0045	$326.25	$27.19	$0.89
$300,000	29.00%	$87,000	0.0045	$391.50	$32.63	$1.07
$350,000	29.00%	$101,500	0.0045	$456.75	$38.06	$1.25
$400,000	29.00%	$116,000	0.0045	$522.00	$43.50	$1.43
$450,000	29.00%	$130,500	0.0045	$587.25	$48.94	$1.61
$500,000	29.00%	$145,000	0.0045	$652.50	$54.38	$1.79
$550,000	29.00%	$159,500	0.0045	$717.75	$59.81	$1.97
$600,000	29.00%	$174,000	0.0045	$783.00	$65.25	$2.15
$650,000	29.00%	$188,500	0.0045	$848.25	$70.69	$2.32
$700,000	29.00%	$203,000	0.0045	$913.50	$76.13	$2.50
$750,000	29.00%	$217,500	0.0045	$978.75	$81.56	$2.68
$800,000	29.00%	$232,000	0.0045	$1,044.00	$87.00	$2.86
$850,000	29.00%	$246,500	0.0045	$1,109.25	$92.44	$3.04
$900,000	29.00%	$261,000	0.0045	$1,174.50	$97.88	$3.22
$950,000	29.00%	$275,500	0.0045	$1,239.75	$103.31	$3.40
$1,000,000	29.00%	$290,000	0.0045	$1,305.00	$108.75	$3.58

* Mill rate of 4.5 is equivalent to $ 0.0045