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- PRESS RELEASE -

Morrow County Statement on MCHD's Ambulance Service Contract

January 31, 2024

Morrow County Health District (MCHD) submitted a contract on January 30, 2024, to continue ambulance service for the County past their 90-day notice to terminate service on March 12, 2024. The contract received is a long-term contract that was self-serving, unlawful, could not be terminated for 5 years, and was not in the best interest of the residents of Morrow County. There was no discussion regarding MCHD paying for legal counsel to draft the contract, as that was MCHD's choice and offer, and the contract received was a surprise and a disappointment. **While the contract is described as an effort to continue service leaving no area of the County out, it is better described as an effort to interfere with the County's legal obligation to implement a new Ordinance and ASA Plan, ignores Oregon law, and uses what MCHD apparently perceives to be an advantage it created by giving its 90-day termination notice.** Specific major items include the following:

- MCHD is attempting to strongarm the County into an **exclusive** and non-terminable agreement for ambulance services, and for control over ambulance services within the County. **This is contrary to ORS 682.063 (1) (a) which requires the County to "consider any and all proposals for providing ambulance services"**. With MCHD submitting a proposed contract, the County has invited other interested parties to present their proposals while we await OHA review of the Ambulance Service Area Plan. MCHD current intent is an "all or nothing" approach that may not be at the best interest of County residents. The County believes that it must comply with the law, follow the legally required process, give all interested parties an opportunity to submit proposals, and then consider all proposals.
- MCHD's primary argument and claim thus far is that their 30 plus years as the ambulance provider should be enough of a consideration. **This is not legal. ORS 682.063 (2) states that "a county shall not grant preference under the plan to any person or governmental unit solely because that person or governmental unit is providing ambulance services at the time of adoption or review of the plan"**. MCHD must be judged on its merits and not its history.
- MCHD's contract also proposes shifting the costs of ambulance services to the County with no use of the local option tax levy that was passed in November 2023, and with the County having no control over accounting for costs or revenue. In other words, MCHD not only receives money from the local option levy that was intended for ambulance services, but MCHD also demands additional funds from the County to cover the same costs, is free to shift costs to the County, and can shift revenue so that the County pays more. That levy's ballot measure expressly stated that "The levy is essential to maintain services in Morrow County including the critical access hospital, four clinics, home health and hospice, and **ambulance services**" (emphasis added). It is disingenuous for MCHD to propose

having Morrow County use other tax monies when MCHD's tax levy is already a dedicated source of revenue for ambulance services. Under its proposal, MCHD should use the local option levy monies as they have advised the citizens of Morrow County they would be used or reduce the levy before it becomes effective in November. MCHD should also be able to justify its claimed losses, and why MCHD would not benefit if an area of service that they claim loses money is removed from their service area.

There are other legal, factual, and contractual issues that would need to be worked out before any consideration of MCHD's proposed contract could be made, e.g., the County cannot give MCHD a contract which the county has no authority to terminate under any circumstance. The County is open to further discussions with all interested parties to identify the best option for continued ambulance services in the County. Such discussions must include consideration of the points above along with other issues and will be based on the Ordinance and ASA Plan that will be adopted by the County. The County is open to discussions between the executive staff or through a joint meeting with the MCHD Board to allow the public to hear the issues and reasonings why MCHD has taken this hardline stance. The County asserts that MCHD can still be a valuable partner in ambulance services as they are with other services. Removing the MCHD 90-day deadline would assist in finding those solutions that will meet the needs of all Morrow County residents.

In the interim, because MCHD has taken a hardline approach and is using its termination of ambulance services as a negotiation weapon, County staff is working to finalize their plan to provide ambulance coverage throughout the County, if necessary, to cover the period between MCHD's notice of termination and the selection and appointment of Providers under the ASA Ordinance and ASA Plan. When the Ordinance and ASA Plan is approved by OHA and implemented by the County, the County invites MCHD to apply to provide ambulance services. In the interim, the County hopes that MCHD will participate in a constructive manner.

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