

10:25 John Libonati, County Coroner Mercer County - For-profit vs. Non-profit EMS

- It is often misconstrued that non-profit emergency service organizations consist of non-paid volunteer personnel. Even though this is true for most all volunteer fire departments throughout Pennsylvania, the trend of emergency medical service agencies (EMS) has changed significantly through the years to consist of paid organizational officers and clinical personnel even when the EMS agency is operated by a volunteer fire department.
 1. One of the root reasons for the necessity for non-profit EMS to agencies to begin paying staff is due to the need of obtaining and retaining specialized certified personnel who are willing to devote significant time and financial responsibility to maintain and retain certifications as EMS responders as those requirements continue to increase.
 2. EMS agencies have experienced a significant increase in licensing requirements that have increased their cost of providing service.
 3. Across Pennsylvania, it is known that the number of certified personnel has significantly decreased with the industry also experiencing a drastic decrease in newly certified EMS providers.
- Both for-profit and non-profit EMS agencies are essential service providers who serve all socioeconomic communities within their area of geographic responsibility. The cost associated with delivering services are the same, however the available funding sources are not equivalent.
 1. For-profit EMS agencies depend solely on private pay or insurance reimbursement. Non-profit EMS agencies also seek private pay and insurance reimbursement but have numerous other funding sources through their ability to generate revenue through donation events and fund drives as well as through numerous grants that are only available for non-profit entities.
 2. Non-profit EMS agencies have the additional ability to be registered as a tax-exempt organization enabling them to retain funds as opposed to for-profit EMS agencies.
- In current times, the primary difference between for-profit and non-profit EMS agencies is the organizational or management structure of the organization. Within EMS, both for-profit and non-profit agencies have a primary focus of generating revenue to enable each to maintain providing the essential service of delivering emergency medical care within a specific targeted geographic area.
 1. It is understood that a for-profit EMS organization can be a privately held business or a large corporation with boards and stakeholders. Responsibilities are distributed among individuals or the group that takes part in the financial success of the business including its staff and leadership.
 2. Non-profit EMS agencies are mostly led by trustees, a board of directors or committee members that do not have direct financial ownership. Their main concern is not about financial success however they may be paid for their governing position.
 3. It is important to mention that a number of non-profit EMS agencies are directly tied to another group or body that utilizes the financial gain toward another focus. For example, a volunteer fire department operates an EMS agency with paid personnel but directs the financial gain toward the equipment necessary for delivering fire suppression within their community.

- A large number of both for-profit and non-profit EMS agencies across the Commonwealth of Pennsylvania have discontinued services or have closed due to the financial challenges and cost with delivering services resulting in a financial loss. The industry challenges as a whole have impacted the delivery of EMS regardless of the organizations organizational or management structure as a for-profit or non-profit EMS agency.
 1. Community leaders must ensure EMS response for their community. Cities, Boroughs, and Townships have contracted with both for-profit and non-profit EMS agencies to provide service.
 2. Community leaders have the ability to hold the contracted EMS agency accountable and should most definitely make their expectations known.
 3. It has become necessary for those community leaders and members of the community to share in the financial need to ensure EMS availability regardless if the contracted EMS agency is for-profit-or non-profit.
 4. Communities should also understand that they possess the ability to partner with neighboring communities to select an EMS agency as a consortium as what was done within Pike County Pennsylvania which has not only improved access to emergency medical services but has also resulted in financial stability of the EMS organization.

In summary: The need to deliver emergency medical care is vital and essential to every resident and visitor to the Commonwealth of Pennsylvania. The EMS industry has changed dramatically through the past 40 years with the increase in standards and requirements to improve the care provided by EMS professionals. The EMS field is not as flattering as it once was and is not known to lead to financial success as a career opportunity that has resulted in a lack of trained personnel. Operating an EMS agency regardless of the organizational or management structure as a for-profit or non-profit EMS agency has become significantly challenging within an industry that has a low reimbursement stream as opposed to the cost required to supply the service.

Having worked within this industry directly for the past 40 years within direct clinical positions as well as management roles for both for-profit and non-profit entities it is my opinion that the EMS industry must have the ability to obtain additional funding opportunities regardless of their organizational or management structure as a for-profit or non-profit EMS agency if it is going to survive. Additionally, communities must begin to join together and to develop a method such as that used within Pike County Pennsylvania to enable access to emergency medical care for their residents and visitors.