

**APRIL
2009**



VOLUME 1, ISSUE 2

Special points of interest:

- Medicare increase?
- Your State Government
- What chassis manufacturers have to offer

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MEDICARE INCREASE?

As Congress goes about giving away more and more money, one of your important associations, the American Ambulance Association (AAA), is on the right track. They are attempting to get changes in the Medicare Act for permanent Medicare ambulance relief. Senators Charles Schumer, Pat Robinson and Kent Conrad and Congressman Richard Neal will introduce legislation that would take effect January 1, 2010. This would give a 6% increase to ground transportation originating in urban and rural areas. This would include base rates and mileage. Super rural rates would increase on average 17%.

This legislation would replace last year's short term relief of 2% urban and 3% rural that the AAA got implemented last year. This should be great news if this passes. It will take your

participation to make it happen. Interestingly, none of the Senators or Representatives sponsoring this bill are from the south.

Your participation in your local and state ambulance associations is very important in many different ways. I realize there is a cost associated with being a member, but if this bill passes it will surely pay for itself. Members have the benefit of uniting to fight for a cause. It is more effective to approach governmental agencies as a group than as an individual.

In response to the fact there are no regional congressmen pursuing this law change, it is incumbent on you to make sure they know you. Understandably, many services are governmental and have strict rules of what can and cannot be done. This is one place where the associa-

tions can come into play. As far as the privates go, you must make sure that your local, state, and federal legislative groups know who you are and what you need and want. These rate increases will ensure your survival as well as help the local economies.

Politicians are always asked for support and for favors. The problem that occurs is they need your help and support to make sure that they are re-elected. Time and time again EMS providers call on the support of the politicians and never reciprocate. For instance, the case of the Representative Mike Powell from Shreveport who took the lead to get the Katrina reimbursement pushed through the Louisiana Legislation. To my knowledge he received very little acknowledgement for his efforts.

YOUR STATE GOVERNMENT AT WORK

The Louisiana Ambulance Association met with State Department of Health officials this month and were told they can expect a 7% decrease in Medicaid reimbursements this year and greater next year. The next day the local news media announced that our Louisiana Governor refused to accept the significant Medicaid part of the Stimulus package. Our state officials go out of their way to pay foreign companies to come to our state and create jobs. They spend time and valuable resources flying around the world, but they cannot take care of the bare essentials of EMS providers. An example of this is the money they spent

recruiting the Union Tank company to Alexandria. The company received subsidies to locate there with the promise of creating jobs. First Union Tank could not find the qualified workers they needed when they got there. Now they have announced a major lay off. EMS is a stable industry that is absolutely required. It is time that the state supports it. When a disaster strikes they expect the providers to drop everything and respond, then they delay paying for it. If they keep cutting there will be nobody to respond. You as a provider can work with the Ambulance Association to make sure these cuts do not take

place.

There is a line item in House Bill 1 page 222 for some relief. It provides for the collection of \$4.50 per drivers license reinstatement to be distributed to each parish. It will bring in about \$2,343.70 per parish. The question will be which agency in each parish will get this money. It seems that this money could be better used to offset Louisiana's portion of Medicaid reimbursement which would result in tripling this amount.



**EMS WEEK
MAY 17 — MAY 22**



**PLEASE REMIND
YOUR STAFF TO BE
CAREFUL THEY ARE
NOT INVINCIBLE**



What has changed in the chassis situation

Ford Motor Company has announced May 1, 2009 for the cutoff of 2009 F Series chassis. They will continue to build the 2010 model with the 6.4 liter diesel engine until December. I tried to emphasize the fact in the last newsletter that just because they are building until then does not mean you will get one. The order slots will probably be taken by June by the big accounts, i.e. Penske, Hertz or Ryder. Any company that has large fleets of diesels will buy up the "dirty diesel" as it is now being called, to beat price increases and the hassles of a new engine. Ford announced that the gasoline engine will be available August 24th. There are concerns about this product. Ford announced that they will be lowering the payload of these units so they have a smooth ride. I believe this is not the best idea because payloads are minimal at best on a lot of units now.

Chevrolet is still on track with its diesel for this and the next model year. The new EPA standards will end the production of the Type II. The additional weight will make this product unsuitable for conversion into an ambulance. Once this year's models are sold out it will be over for diesel and gas. It is also offering a gasoline engine that will be available in July on the 2010 Type III chassis. It is too late to order 2009's. The gas engine will require changing the alternator and LED lights for ambulances. Again the price difference of a gas burner versus a diesel for Chevrolet will be about \$6,000. The C-4500 series is on indefinite hold due to the manufac-

turer that supplied gas tanks going bankrupt. Getting another supplier requires recertification which is costly and no one knows if this can or will be done. All of this is assuming that Chevrolet survives its financial debacle.

That brings me to **Dodge**. The cutoff for 2009 Dodge is April 9th with build out by August. They will start taking orders 2010 in June with building starting in August. They will build these until they run out of engines, so this means if you are not careful of timing you will not be able to get a diesel from Dodge until after January 2010. Dodge has not been a huge provider of ambulance chassis but this decision will put more of a load on the other chassis. There has been some problems because the 4500 series have their speeds limited by Dodge to a maximum of 75 mph. The other product Dodge has is the **Sprinter** product. This product is very pricey. The 2010 model will have the urea system. The cutaway version will change the ambulance industry due to the fact the urea tank is mounted in front of the right rear wheel. This tank cannot be moved or modified because it is part of the pollution controls. This position will require moving the side entrance door to the front corner of the body. I was incorrect in my last newsletter in regards to the cutaway version. The chassis is lighter due to its uni-body construction. AEV is in the process of building a prototype. They are having to overcome many obstacles such as the side door location. This chassis has a very narrow inside wheel well opening caus-

ing a narrow floor space. It can be done but it will be different. If Dodge fails financially, the Sprinter will live on because it is a Mercedes product. The question then becomes who will service and market this product. Of any chassis out there with its profitability this product will be the survivor. The question is can you afford to buy and maintain it?

FREIGHTLINER AND INTERNATIONAL have announced preliminary price increases for the 2010 diesel emissions. Freightliner thinks the price increase will be \$4,500.00 to \$5,000.00. International is predicting the price will be a \$5,000 to \$7,000.00 dollar increase. These chassis are a very small part of the ambulance market but the price is an indicator of what is to come.

This market is changing so fast that this will likely be out of date by the time you get it. Every manufacturer is idling plants because of parts or order shortages and there is no guarantee as to the number of units that will be built prior to January. If gasoline units are not a problem for you then hopefully you will see no delays. The clean diesels will be a new product at an additional cost. How well it will work and the final price no one really knows. If you order a unit now it will not require immediate delivery. There will be requirements for units that have staggered deliveries.



Do not wait till they are all gone. Place your order now. The current diesel engines will be discontinued in January of 2010.



CHECK YOUR FLUIDS

We have been talking with our customers to find out how they are keeping their Fords going with little down time.

According to the Ford warranty book diesels have to have the oil changed every 200 hours or 5,000 miles or every 6 months whichever comes first. You would be surprised at how many hours your units idle. Ford considers one hour of idle time as 25 miles driven. If you do not have an hour meter you should install it on some of your units to find out. I tried to get across last newsletter that idling is a death sentence for your units. I realize that some idling is mandatory, but less is definitely better. We have found that using a synthetic oil has increased the lives of the 6.0 and 6.4 diesels. Amzoil makes one as well as Shell Rimula. They have to meet or exceed Fords specification WSS-M2C171-E or API Service CJ-4 or CJ-4/SM 15-W40.

Ford filters are another item of contention. We have been told that the off brands have some flaws. The oil filter that Motorcraft puts out is usually taller than the aftermarket. There is a spacer supplied by the aftermarket which has to be used. Failure to use it will allow the oil to by pass the filter. The fuel filters supplied by Motorcraft is

a cloth based versus a paper base for the after market. It was brought up at a class presented by Ford that the diesel fuel was breaking down the glue and paper and allowing it to get into the injector system causing failures.

One of the biggest problems now seems to be the EGR valve. Motorcraft makes a Cetane booster that helps cut down on carbon. Carbon seems to be the cause of the EGR valve failure which usually causes other failures. A customer called yesterday with a unit that was just out of warranty. The EGR valve failure cost him \$3,000.00 to fix. This product is available from your Ford parts department. I am sure there are some off brands that will work. On the bright side, it should cut down on this failure and it improves fuel economy a little.

In today's ever changing technology you have to read your owners manual prior to putting a new unit in service. The 7.3 liter ran great on Rottela oil, and antifreeze was antifreeze. This is not the case anymore. Make sure attention is being paid to the requirements of your particular units. Case in point a Ford takes up to 4 gallons of oil for its diesel while Chevrolet only takes 8

quarts. If your service department does not keep up with this, it will be a costly mistake.

We are at a transitional time where the gas burners are coming back. I was around when the transition was made from gas to diesel. I had barrels of gas diesel for weed killer—not by choice. You must educate your staff to protect your investment.



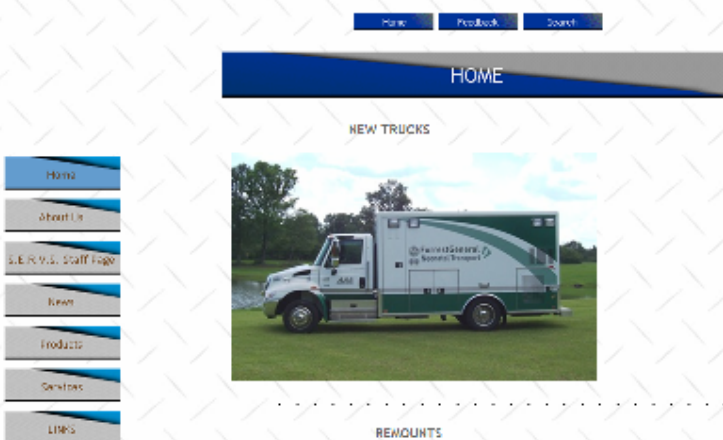
FORD 6.0 LITER DIESEL ENGINE \$13,000.00 IN CRATE CHANGING OIL AND NO IDLING PRICELESS

SERVS WEBSITE

To better serve our customers we are updating our old website. We will have all of our newsletters posted on this site, should you want to go back for information. There will be a page for used units available, as well as new ones. Any information that we receive about recalls or maintenance tips will be posted when we get them. If you have something that is

pertinent to the ambulance industry such as a trade show or meeting please send it to us and we will be happy to post it.

As usual we will keep posting any technical service bulletins we receive or tips that you forward on to us.





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Sprinter Demo Needs a Home

We have a 2008 Sprinter Type II that needs a home. This unit has been our demo for the last few months but we need to have it put into service. It is solid white with the following options: 4500 series light bar, 20 amp shoreline, curbside O2, led marker lights, 900 series super LED's on side, net at head of squad bench, 2 6 point seat belt harness on squad bench.

This unit would be a great out of town and transfer unit. It gets 14 plus mpg. Sprinter claims you only have to change oil every 10,000 miles even with idling. This would be a great savings over a Ford unit.



f.o.b Clinton, LA
\$69,900.00

Ambulance Parts Dot Com

For those that have put together a website you know the time and effort that it takes to do it. We are steadily moving forward to get ours up and running. It is our intention to make it easy and simple to use. Unfortunately every manufacturer uses so many different and non-interchangeable parts that the website will have to be large.

In addition to new parts, we have a huge inventory of used parts and a lot of OEM parts that are overstock. Currently are listing them on EBAY to sell. We have tons of strobe packs, sirens and light bars that we are not allowed

to sell on EBAY.

Last month's newsletter was not received by many so we are running the same items this month on special. Our prices are competitive and we have many items in stock. Please contact us for a quote the next time you need parts or have questions.

APRIL SPECIALS:

HI DOME BULBS \$ 3.87

DOME LIGHT LENS \$ 4.52

4" POP IN STOP TAIL TURN RED LED LT ONLY \$ 13.83

4" POP IN AMBER TURN LED LT ONLY \$ 13.83

KUSSMAUL AUTO EJECT YELLOW COVER \$ 18.98

WHELEN S30TL STROBE BULB \$ 26.57

