



Outlook

Subject: Voluntary Revenue Plan - October Agenda item

From Ryan McEachen <r.mceachen@morongovalleyfire.org>

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To Brittany Chavez <b.chavez@morongovalleyfire.org>

Subject: Voluntary Revenue Plan

Attention: Ms. Chavez,

I would like to add to the October 2025 CSD Agenda the following Action Item, a revision of the dollar amounts for the Voluntary Revenue Program. The goal of revising the subscription rates is to promote greater participation in the program and drive revenue. The following is a comparison of the MVCSD VRP program to the Sierra Madre Paramedic subscription program to provide justification for this action item. Thank you.

What we know (from the URLs and public data)

From Morongo Valley's VRP page:

- The **Voluntary Revenue Plan (VRP)** is their mechanism for getting voluntary contributions so that when someone calls 911, the “first responder fee” (i.e. balance after insurance) can be waived for participants. (morongovalleyfire.org)
- Current fees (per VRP website):
 - Individual Supporter: \$120/year (morongovalleyfire.org)
 - Household Supporter: \$400/year (covers all residents at that address) (morongovalleyfire.org)
 - Family & Friends Supporter: \$550/year (covers residents + nonresidents at address at time of service) (morongovalleyfire.org)
- The VRP is explicitly voluntary, and it doesn't give priority in response. It just “waives any balance of post-insurance payments received for no-fault services” within district boundaries. (morongovalleyfire.org)

From Sierra Madre's Paramedic Subscription Program:

- As of their 2025 update, they have the following tiers:
 - Individual Plan – **\$89/year** (cityofsierramadre.com)
 - Couple Plan – \$142/year (cityofsierramadre.com)
 - Household Plan (3-person baseline) – \$158/year, plus \$18 for each additional up to 5 people (cityofsierramadre.com)

- Modest-Income Household Plan – **\$45/year** (for those qualifying via income) (cityofsierramadre.com)
- They also offer a **Business Plan**: \$100/year covers first 10 employees; add \$100 per additional block of 10. (cityofsierramadre.com)
- The subscription provides “no out-of-pocket EMS charges, including exemption from EMS dispatch fee, after insurance billing.” (cityofsierramadre.com)
- Their “Final Fee Schedule 2024–2025” shows in their master fee schedule: Paramedic Subscription Fee \$89 per person (EMS01) plus they have EMS/Paramedic fees & dispatch fees laid out. (sierramadrecal.gov)

So, Sierra Madre’s model is significantly less (for individuals) than Morongo Valley’s \$120, and they have more flexible tiers and a modest-income discount. Also, they include a business tier, which you noted is missing in MVFD’s plan.

Critique of MVFD’s current pricing

“Too much” is subjective, but based on what comparable jurisdictions do, \$120 for a single individual (and \$400 for a household) sounds high, given the income levels of typical Morongo Valley residents (which tend to skew lower than Sierra Madre, especially given the rural, desert context).

Challenges with your current structure:

1. **Barrier to participation** — High price reduces uptake, meaning fewer people contribute, which undermines the revenue goal.
2. **Equity concerns** — Households with tight budgets may find \$400 unaffordable, and might opt out, yet they are also the ones who could benefit the most from coverage.
3. **No business involvement** — Businesses often have more ability to absorb such fees; not tapping them is leaving money (and good policy optics) on the table.
4. **Lack of tiering or discounting based on income** — Sierra Madre’s modest-income \$45 tier is a smart move; MVFD misses that safety valve for lower-income households.
5. **Psychological anchoring** — \$120 feels steep as a voluntary “subscription” fee in a rural community; you may want to anchor lower.

Key design principles for a better VRP

Here’s what you should aim for in the redesign:

- **Affordability & participation**: Lower fees so more people sign up (a slightly lower price but 2× uptake may beat high price and 10% uptake).

- **Tiering / modularity:** Offer individual, couple, household, modest-income, business tiers.
- **Income verification for discounts:** Use self-certification or minimal documentation to qualify for reduced tiers.
- **Business inclusion:** Offer business subscription covering employees or premises.
- **Transparency and clarity:** Be extremely clear what “coverage” means (i.e. what is waived vs what insurance covers vs what happens if insurance denies).
- **Ease of payment / renewal:** Allow payment via utility bills, installments, auto-renewal, etc.
- **Marketing & trust building:** If people don’t believe “they’ll really waive it,” uptake will lag.

Proposed fee structure (draft) for MVFD VRP

Here’s a sample structure you can use as a starting point. Adjust up/down based on cost modeling and projected participation.

Tier	Proposed Annual Fee	Who’s Covered	Justification / Notes
Individual Supporter	\$60	One adult at an address	That’s half of current \$120. Keeps it simple and accessible.
Couple / Two-Person	\$100	Two adults	Slight per-unit discount to encourage household buy-in.
Household Supporter	\$150	Up to 4 persons (residents)	Lower than current \$400, but still covers many people. Incremental add-ons: +\$20 each additional person up to a cap.
Modest-Income Household	\$30	Up to 4 persons	For households under, say, 80% of County median income (or similar threshold) — this is a subsidized tier to improve equity.
Business Subscription	\$100 base + \$10 / employee	Covers employees on premises during hours of subscription	E.g. first 10 employees = \$100, each additional up to blocks of 10 adds \$100 (or proportional). This mirrors Sierra Madre’s approach.
“Premium / All-Inclusive” (Optional)	\$200	Residents + nonresidents at address	To allow broader coverage when guests / short-term visitors are included.

You could also experiment with promotional discounts: e.g. first year 50% off, or if you pay early. The goal: get people enrolled.

The rough price points I chose are grounded in making it much easier for average households in a less affluent valley to join while still keeping your revenue goals realistic.

To validate: you'll want to run a break-even model — number of participants required per tier to cover the VRP's target revenue. If you target, say, **500 households** in the district enrolling at \$150, that's \$75,000/year in revenue, plus individual and business contributions, which might move the needle.

Steps & considerations to implement

1. Cost model

- Estimate average annual paramedic/EMS calls in-district and out-of-pocket balances (post-insurance) per call.
- Project plausible enrollment rates at new prices (e.g. 30 %, 50 %, etc.).
- Consider administrative costs for enrollment, billing, outreach, verifying modest-income, etc.
- Use that to set the floor (minimum needed per subscriber) and ceiling (avoid overcharging).

2. Define “waived coverage” boundaries

- Clarify what exactly is waived (e.g. first responder fee, dispatch fee, ambulance transport) after insurance.
- If insurance denies or doesn't cover, what happens to the subscriber? (e.g. full waiver, partial, or surcharge).
- Must articulate that participation doesn't give response priority.

3. Eligibility & verification

- For modest-income tiers, allow self-declaration or minimal documentation (e.g. tax returns, benefit statements).
- For businesses, require proof of employees at premises.

4. Payment & renewal mechanisms

- Offer monthly installments, auto-renewal, and linkage to utility or water bills for ease.
- Provide multiple payment channels (online, mail, in-person) with reminders.

5. Marketing, trust & transparency

- Provide sample “worst-case cost avoided” statements (e.g. “One EMS call can cost \$2,000 — your \$60 subscription may save you \$500–\$1,500 out-of-pocket”).
- Publicize how many in the community are enrolled, and testimonials once people use it successfully.
- Set renewal reminders and easy opt-out paths.

6. Pilot & adjustment

- Start with reduced fees for year 1 to seed enrollment, measure participation, then adjust in year 2.
- Monitor claims / usage data. If utilization is unusually high or low, adjust tiers or

caps.

7. Legal / policy / board approval

- Ensure VRP terms, liability, and enforcement are cleared with legal counsel.
- Get board/committee approval and update documentation, ordinance or resolution language to reflect new structure.

Recommendation summary & pitch to the board

- The current \$120 individual / \$400 household VRP is likely **too high**, suppressing participation, especially in a rural, lower-income area.
- Sierra Madre's \$89 individual baseline with a modest-income option of \$45 shows there's a viable model for far lower price points. (cityofsierramadre.com)
- Including a **business tier** helps open another revenue stream and broadens community buy-in; Sierra Madre already uses a \$100 base + per-employee model. (cityofsierramadre.com)
- I recommend MVFD substantially reduce the individual and household rates, introduce modest-income discounts, and add a business subscription tier.
- The new fee structure I proposed (e.g. \$60, \$100, \$150, \$30 modest-income, business tier) is a draft — should be stress-tested with your call data and revenue needs.
- Launch the revised VRP with strong marketing and transparency: show citizens how much risk they're avoiding, and report enrollment numbers openly to build trust.

[Paramedic Subscription Program - Sierra Madre](#)

[Voluntary Revenue Plan \(VRP\) - Morongo Valley Community Services District](#)

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