

HF189 - 0 - "Regional EMS to MDH"

Chief Author: **Greg Davids**
 Committee: **Health and Human Services Finance**
 Date Completed: **03/02/2015**
 Lead Agency: **Health Dept**
 Other Agencies:
 Emergency Medical Services Bd

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019
Emergency Medical Services Bd						
General Fund	-	(617)	(617)	(617)	(617)	(617)
Restrict Misc. Special Revenue	-	(900)	(900)	(900)	(900)	(900)
Health Dept						
General Fund	-	703	701	701	701	701
Restrict Misc. Special Revenue	-	900	900	900	900	900
State Total						
General Fund	-	86	84	84	84	84
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total	-	86	84	84	84	84
Biennial Total			170			168

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
Emergency Medical Services Bd					
General Fund	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-
Health Dept					
General Fund	-	1	1	1	1
Restrict Misc. Special Revenue	-	-	-	-	-
Total	-	1	1	1	1

Lead Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Susan Earle Date: 03/02/2015
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2015	FY2016	FY2017	FY2018	FY2019
Emergency Medical Services Bd						
General Fund	-	(617)	(617)	(617)	(617)	(617)
Restrict Misc. Special Revenue	-	(900)	(900)	(900)	(900)	(900)
Health Dept						
General Fund	-	703	701	701	701	701
Restrict Misc. Special Revenue	-	900	900	900	900	900
Total	-	86	84	84	84	84
	Biennial Total		170			168
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Emergency Medical Services Bd						
General Fund	-	(617)	(617)	(617)	(617)	(617)
Restrict Misc. Special Revenue	-	(900)	(900)	(900)	(900)	(900)
Health Dept						
General Fund	-	703	701	701	701	701
Restrict Misc. Special Revenue	-	900	900	900	900	900
Total	-	86	84	84	84	84
	Biennial Total		170			168
2 - Revenues, Transfers In*						
Emergency Medical Services Bd						
General Fund	-	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-	-
Health Dept						
General Fund	-	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total		-			-

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 Committee: **Health and Human Services Finance**
 Date Completed: **03/02/2015**
 Agency: **Health Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	703	701	701	701
Restrict Misc. Special Revenue	-	900	900	900	900
Total	-	1,603	1,601	1,601	1,601
Biennial Total			3,204		3,202

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	1	1	1	1
Restrict Misc. Special Revenue	-	-	-	-	-
Total	-	1	1	1	1

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

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State Cost (Savings) Calculation Details

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*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	703	701	701	701	701
Restrict Misc. Special Revenue	-	900	900	900	900	900
Total	-	1,603	1,601	1,601	1,601	1,601
	Biennial Total		3,204		3,202	
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	703	701	701	701	701
Restrict Misc. Special Revenue	-	900	900	900	900	900
Total	-	1,603	1,601	1,601	1,601	1,601
	Biennial Total		3,204		3,202	
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total		-		-	

Bill Description

This bill transfers responsibility for establishing the Emergency Medical System (EMS) system fund and administrating of Regional EMS Program grants from the Emergency Medical Services Regulatory Board (EMSRB) to the commissioner of health.

The bill adds definitions of commissioner, grantee, regional grants funds, and time-sensitive syndromes. The bill authorizes the commissioner to award Regional EMS Program grants of equal amounts to one designated entity in each of the 8 EMS regions of the state. The bill also specifies a grant application and approval process. Existing language requiring an annual audit by each grantee is repealed.

Under current law, the EMS Relief Account is established as a Special Revenue account and is funded through seat belt fines. Current law also requires that 90 percent of the funds in the account are distributed to the eight grantees of the Regional EMS Program grants. The bill requires that funds distributed to Regional EMS Program grantees from the EMS Relief Account must evenly distributed among the eight regions.

The bill makes an unspecified General Fund appropriation to MDH for Regional EMS Program grants and permits an unspecified amount to be used by MDH for program operating expenses. An unspecified amount from the EMS Relief Account distribution to Regional EMS Program grantees is appropriated to MDH for program operating expenses.

The bill directs the Revisor to recodify Minnesota Statutes, section 144.50 (Emergency Medical Services Fund) from Chapter 144E (governing the EMSRB) to Chapter 144 (governing MDH). it also repeals Minnesota Statute, section 144E.52 which governs General Fund dollars distributed by the EMSRB to EMS regions.

Assumptions

The EMSRB currently receives an annual General Fund appropriation of \$585,000 for Regional EMS Program grants. We assume that, under this legislation, the appropriation will now be made to MDH.

Although the language is not clear, we assume that funding from the EMS Relief Account will be appropriated to MDH to be distributed to the eight grantees of the Regional EMS Program grants. Seat belt fine revenue which funds the EMS Relief Account has been declining over the past several years. Seat belt fine revenue was \$1,389,036 in FY12, \$1,203,594 in FY13, and \$1,090,635 in FY14. Based on the forecast in the state budget, MDH assumes fine revenue deposited into

the relief account in FY 2016, will be \$900,000. For the purposes of this fiscal note, we assume that fine revenue will remain unchanged from FY 2016 to FY 2019.

The bill appropriates unspecified amounts from the General Fund and EMS Relief Account to MDH for program operating expenses. It would be operationally simpler for MDH to receive funding for program operating expenses from a single appropriation rather than from two separate appropriations. Assuming the author doesn't have a preference about the source of funding for program operating costs, we will assume that the funding for program operating expenses comes from the General Fund. The EMSRB currently receives a General Fund appropriation to cover the board's operating expenses, which includes the costs of administering the grants in this bill.

Department of Health administration of this program will include grants management and accountability and technical assistance to grantees to stabilize and improve the EMS system. One FTE is needed for: grant management (RFP, selection, support, audits, and evaluation); travel to regional EMS grantee meetings and local trainings across the state; coordination with MDH cross-divisional EMS programmatic areas (e.g. trauma, stroke, STEMI, sudden cardiac arrest, emergency preparedness and response) to ensure fiscal integrity and comprehensive support for regional EMS sustainability; and development and delivery of state and regional EMS quality improvement assistance for grantee planning purposes. All grants will meet Department of Health standard grant auditing and reporting requirements.

Expenditure and/or Revenue Formula

EXPENDITURES	SFY15	SFY16	SFY17	SFY18	SFY19
Salary and Fringe Benefits	0	100	100	100	100
Other Operating Costs	0	8	7	7	7
Grants GF	0	585	585	585	585
Grants non-GF	0	900	900	900	900
Administrative Services	0	10	10	10	10
OR Indirect Cost	0	0	0	0	0
TOTAL EXPENSES	0	1,603	1,602	1,602	1,602

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact: Dave Greeman (651-301-5235)

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HF189 - 0 - "Regional EMS to MDH"

Chief Author: **Greg Davids**
 Committee: **Health and Human Services Finance**
 Date Completed: **03/02/2015**
 Agency: **Emergency Medical Services Bd**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	(617)	(617)	(617)	(617)
Restrict Misc. Special Revenue	-	(900)	(900)	(900)	(900)
Total	-	(1,517)	(1,517)	(1,517)	(1,517)
Biennial Total			(3,034)		(3,034)

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-
Total	-	-	-	-	-

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Brian McLafferty Date: 3/2/2015 9:22:31 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	(617)	(617)	(617)	(617)	(617)
Restrict Misc. Special Revenue	-	(900)	(900)	(900)	(900)	(900)
Total	-	(1,517)	(1,517)	(1,517)	(1,517)	(1,517)
Biennial Total			(3,034)			(3,034)
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	(617)	(617)	(617)	(617)	(617)
Restrict Misc. Special Revenue	-	(900)	(900)	(900)	(900)	(900)
Total	-	(1,517)	(1,517)	(1,517)	(1,517)	(1,517)
Biennial Total			(3,034)			(3,034)
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Restrict Misc. Special Revenue	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This bill transfers the administration of regional emergency medical services program grants to the commissioner of health, modifying grant procedures, appropriation money, amending Minnesota Statute 2014 sections 144E.50: 144F.01, subdivision 5; 169.686, subdivision 3; repealing Minnesota Statutes 2014, section 144E.52

The bill directs the Revisor to recodify Minnesota Statutes, section 144.50 (Emergency Medical Services Fund) from Chapter 144E (governing the EMSRB) to Chapter 144 (governing MDH). It also repeals Minnesota Statute, section 144E.52 which governs General Fund dollars distributed by the EMSRB to EMS regions.

Assumptions

The Emergency Medical Services Regulatory Board (EMSRB) assumes that the state regional grants program and the seat belt grants program (emergency medical services relief account) will be transferred from EMSRB to the MN Department of Health (MDH).

Currently the EMSRB receives:

- \$585,000 - direct appropriation from the general fund for the state regional grants program.
- \$30,000 - direct appropriation from the general fund appropriation to administer the state regional grants program.
- \$900,000 estimate annual transfer from the State Treasury office for the seat belt grant totaling 90% of the seat belt violation fines collected.
- The EMSRB does not receive additional funding to administer the seat belt grant program.

Current expenses devoted to administering the Regional and Seatbelt grants under 144E.50 and 169.686:

- \$15,665 annually - .25 FTE (522 hours annually) @ \$24.10/hr base, Office & Administrative Specialist Principal - devoted to opening mail, auditing invoices, reconciling paid expenses, arranging meetings for review panel, preparing board presentation data and corresponding with grantees.

· \$15,960 annually - .15 FTE (313 hours annually) @ \$37.97 per hour, Assistant Executive Director devoted to review and approval of invoice payments, review reconciliations, correspondence with regions regarding invoices, draft requests for proposals and contracts, review proposals, draft recommendations and present grant data to board.

The board receives a general fund appropriation of \$30,000 to administer the grants. The board typically spends around \$32,000 each year. The additional \$2,000 come from other general funded appropriations within the boards operation budget.

This bill appropriates an unspecified amount from the general fund to the commissioner of Health and appropriates an unspecified amount from the emergency medical services relief account to the commissioner of health.

Expenditure and/or Revenue Formula

It is assumed that the EMSRB would no longer receive the general fund appropriation for the state grant program and the special revenue fund transfer for the seat belt grant program.

Expenditures:

EXPENDITURES	SFY15	SFY16	SFY17	SFY18	SFY19
Salary and Fringe Benefits	0	-32	-32	-32	-32
State Regional Grants GF approp.	0	-585	-585	-585	-585
Seat Belt Grants Non-GF Transfer	0	-900	-900	-900	-900
TOTAL EXPENSES	0	-1,517	-1,517	-1,517	-1,517

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

Agency Contact:

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