

Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 25, 2005

Joint Committee on Finance

Paper #402

Emergency Medical Services Grants (DHFS -- HIRSP and Public Health)

[LFB 2005-07 Budget Summary: Page 266, #7 (part)]

CURRENT LAW

Under current law, DHFS distributes funding to entities, primarily technical college districts, whose courses or instructional programs are approved by DHFS, to assist the entities in providing the training required for licensure and renewal of licensure as an emergency medical technician (EMT). Additionally, DHFS provides funding for examinations administered by the entity for licensure or renewal of licensure as an EMT.

GOVERNOR

Direct that DHFS distribute the funding for EMT training and licensure examinations to ambulance service providers, rather than to entities, primarily technical colleges, that provide the training and administer the examinations. Further, require that ambulance service providers report to DHFS on expenditures of the funds and require the Emergency Medical Services Board to recommend a formula for disbursing the training and examination funds among ambulance service providers.

DISCUSSION POINTS

- 1. In the 2003-05 biennium, DHFS distributed \$2,200,000 GPR annually for support and improvement of ambulance services and for emergency medical services training. This paper addresses the distribution of emergency services training funds, rather than the conversion of this funding from GPR to transportation SEG, which is addressed in a separate budget paper.
- 2. DHFS currently distributes funding for the support and improvement of ambulance services to ambulance service providers that are public agencies, volunteer fire departments, or

nonprofit corporations. Ambulance service providers use the funds to purchase ambulance service vehicles and vehicle equipment, and emergency medical services supplies and equipment. Annually, funding according to a formula consisting of an identical base amount for each ambulance service provider, plus a supplemental amount based on the population of the ambulance service provider's primary service or contract area. In 2003-04, DHFS distributed approximately \$1.32 million to 381 ambulance service providers for support and improvement of ambulance services.

- 3. DHFS distributes funding for emergency medical services (EMS) training and examinations to entities primarily technical colleges with approved courses for EMT training and licensure. In 2003-04, DHFS distributed approximately \$880,000 to Wisconsin technical colleges and a few other qualifying entities for emergency medical services training. Each year, DHFS distributes unspent training funds equally to ambulance service providers for supplies and equipment purchases.
- 4. The statutorily-created Emergency Medical Services (EMS) Board, attached to DHFS, consists of 11 voting members, appointed for 3-year terms, who have an interest and expertise in emergency medical services issues, who represent the various geographical areas of the state, and who include representatives of the various types of EMS providers. In addition to the 11 voting members, the Secretary of the Department of Health and Family Services, the Secretary of the Department of Transportation, the Director of the Technical College System Board and the State Medical Director for emergency medical services or their designees serve as nonvoting members of the Board.
- 5. The EMS Board advises DHFS on EMS issues and reviews all EMS statutes and rules and makes recommendations for changes to those statutes and rules. Additionally, the EMS Board consults with DHFS on EMS funding for support and improvement of ambulance services and for emergency medical services training. The EMS Board has recommended the administration's proposed change in the distribution of training funds.
- 6. Under the bill, the EMS Board would be required to recommend a formula for allocating emergency medical services training funds among ambulance service providers. The administration reports that the EMS Board is developing a new funding formula to equitably distribute the funding.
- 7. Under current law, DHFS pays for EMS training-related costs incurred by ambulance service providers by paying the entity that provided the training, usually a technical college. Both DHFS and the technical colleges describe the current reimbursement process for training and examination costs as time-consuming and burdensome, requiring multiple communications and verifications that often result in delayed reimbursement.
- 8. Under the bill, DHFS would allocate training funds directly to ambulance service providers, who would then pay for their training costs as they are incurred. Ambulance service providers would assume all reporting responsibilities, freeing the technical colleges of much of the

record-keeping that is now required, and allowing the technical colleges to follow their normal billing processes. DHFS reports that distributing training funds directly to service providers would allow the agency to streamline its administrative procedures and reduce program costs. Under the proposal, DHFS would send out one check per year to each eligible ambulance service provider to cover both training and ambulance services support. DHFS review of funding for training would then become part of an existing process through which DHFS reviews funding for ambulance services support. Ambulance service providers would continue to send an annual expenditure report to DHFS, but would have more flexibility to determine the types of training they wish to fund for their members.

9. The administration has conveyed its intent that, under the bill, the training funds should be distributed to the same ambulance service providers that currently receive funding for support and improvement of ambulance services; that is, ambulance service providers that are public agencies, volunteer fire departments, or nonprofit corporations. However, the language in the bill directing that EMS training funds be distributed to ambulance service providers does not specifically limit it to the same group of eligible ambulance service providers that are public entities. Consequently, if the Committee adopts the Governor's recommendation to distribute training funds to ambulance service providers, it could clarify that these providers would include public agencies, volunteer fire department and nonprofit agencies to better reflect the administration's intent

ALTERNATIVES

- 1. Modify the Governor's recommendation to specify that the funding for EMT training and licensure examinations be distributed to ambulance service providers that are public agencies, volunteer fire departments, or nonprofit corporations.
- 2. Delete provision. Consequently, funding for EMT training and licensure examinations would continue to be distributed to technical college districts, and other qualifying entities that provide the training required for EMT licensure.

Prepared by: Eric Ebersberger