



## Summary

# Emergency Ambulance Services

**The Legislature should strengthen the state’s oversight of ambulance services and do more to support struggling services. The Emergency Medical Services Regulatory Board (EMSRB) should improve its operations.**

### Key Findings:

- In Fiscal Year 2021, more than 250 licensed ground ambulance services responded to approximately 540,000 calls to 911 for medical emergencies in Minnesota. EMSRB is the state agency that regulates ambulance services in Minnesota. (pp. 3, 10)
- Each ground ambulance service license must be tied to a “primary service area,” the geographic area in which the ambulance service operates. EMSRB has little authority to alter primary service area boundaries without the cooperation of the ambulance services assigned to them. (pp. 13, 19)
- Minnesota law does not provide meaningful oversight of ambulance services during the license renewal process. (p. 33)
- EMSRB has not used its existing authority to create performance standards for ambulance services. Further, it does not have authority to set standards for some key elements of practice. (pp. 40, 41)
- Ambulance services face persistent staffing and funding challenges across the state, but especially in outstate Minnesota. (pp. 52, 56)
- EMSRB has been largely ineffective in its regulation and support of ambulance services in Minnesota, and the board has failed to provide sufficient oversight of the agency’s activities. EMSRB’s board composition and unique responsibilities create risks for conflicts of interest. (pp. 62, 69, 73)

### Key Recommendations:

- The Legislature should retain primary service areas for ambulance services, but it should restructure how they are created, modified, and overseen. (p. 24)
- The Legislature should adopt more stringent statutory requirements for renewal of ambulance service licenses. (p. 35)
- The Legislature should direct EMSRB to develop and enforce performance standards for ambulance services. (p. 48)
- The Legislature should explore options for improving ambulance service sustainability in Minnesota, potentially through pilot programs. (p. 59)
- The EMSRB board should improve its oversight of the executive director and ensure that the organization fulfills its responsibilities and maintains adequate staff to do so. (p. 70)
- The Legislature should consider whether to make structural changes to the EMSRB board. It should also clarify what constitutes a conflict of interest for EMSRB board members. (pp. 74, 76)

## Report Summary

*Ambulances* are vehicles used to provide transportation for ill or injured persons or expectant mothers to, from, or between health care facilities. In Fiscal Year 2021, ground ambulances responded to approximately 540,000 calls to 911. *Ambulance services* are the organizations that send ambulances and crews to respond to emergencies. Ambulance services in Minnesota are operated by local governments, tribes, health care systems, or private organizations.

The Emergency Medical Services Regulatory Board (EMSRB) is responsible for regulating ambulance services in Minnesota. As of July 2021, there were 277 ambulance services licensed to operate in Minnesota.

State statutes recognize two levels of health care provided by ambulance services: basic life support (BLS) and advanced life support (ALS). BLS care involves basic emergency care and administration of a limited number of drugs. It is generally provided by emergency medical technicians. ALS care can include additional treatments and procedures, such as narcotic medications or advanced heart monitoring. It is generally provided by paramedics.

### **EMSRB has little authority to alter service boundaries without the cooperation of the ambulance services assigned to them.**

Minnesota is divided into more than 250 “primary service areas,” the geographic areas in which licensed ambulance services have the right to provide care and transportation. Within area boundaries, the licensee must ensure 24-hour coverage every day of the year. An ambulance service may not deny ambulance care to anyone within the service area based upon the individual’s ability to pay.

Once an ambulance service obtains a license for a primary service area, it retains the right to provide service in that area as long as it maintains its license. There are no provisions in state law for EMSRB to alter primary service area boundaries without the consent of the license holder, even if EMSRB finds a public health benefit to doing so.

### **The extent of local government control over who provides ambulance service in a community depends on historical precedent.**

Whether a local unit of government controls its ambulance service provider depends largely on what entity ran an ambulance service in that governmental unit’s area in the early 1980s. As a result, there are disparities in local control throughout the state. Local governments that do not already control ambulance provision in their communities have no easy way of gaining control. Conversely, once a licensee obtains control of a service area, it is straightforward for the licensee to maintain control.

We recommend that the Legislature retain primary service areas. However, it should restructure how they are created, modified, and overseen. The Legislature should create a process for periodically reviewing service area boundaries and empower EMSRB to redraw boundaries to address overlaps and gaps. The Legislature should also establish a process through which local units of government can provide input into which service provides ambulance care and transportation in their areas.

### **Minnesota law does not provide meaningful oversight of ambulance services during the license renewal process.**

The process by which an ambulance service obtains its initial license provides an opportunity for public input and state oversight. However, once an ambulance service obtains a license, renewal is practically automatic. Statutes do not require EMSRB to inspect an ambulance service or assess its performance in any way as a condition of approving a renewal application.

Even though the law’s requirements are minimal, EMSRB has not collected all required information during the renewal process for ambulance service licenses. We recommend that the Legislature adopt more stringent statutory requirements for ambulance service license renewal, and that EMSRB ensure that ambulance services meet requirements in law.

**EMSRB has limited authority to oversee ambulance service license transfers and changes in service providers.**

Ambulance services can transfer their licenses to other entities through merger or acquisition; entities receiving licenses in this way do not have to go through the initial licensure process. Statutes do not require EMSRB to conduct onsite inspections or otherwise ensure that license transfers will not negatively affect public health. EMSRB typically asks the new licensee to simply attest that it meets legal requirements.

In some instances, the license holder is different from the provider that runs the ambulance service. Statutes do not require license holders to notify EMSRB or local governments if they discontinue providing care and instead contract with an external provider, or if the license holder terminates a contract with one provider and enters into a contract with another provider. Statutes also do not provide a mechanism through which EMSRB could ensure that the new provider meets legal requirements before it begins providing service.

We recommend that the Legislature require ambulance services to go through the initial licensure process—a process that provides an opportunity for stronger public input and state oversight—whenever there is a change in ownership or provider.

**Minnesota has no standards for ambulance services related to actual outcomes.**

Minnesota ambulance laws require ambulance services to meet a number of standards in order to obtain a license. For example, ambulance crews must have a minimum level of training, and ambulances must carry certain equipment, such as oxygen and defibrillators.

However, all of these standards relate only to an ambulance service's resources and abilities; Minnesota has no standards related to actual outcomes. For example, there are no performance standards or targets for whether ambulance services have provided appropriate care to patients with difficulty breathing. If a service has not provided sufficient care, it is up to the service itself to identify that a problem exists and address it.

EMSRB has not adopted performance standards even though it has the authority to do so as a rulemaking agency. However, for some key elements of ambulance practice (such as the speed of ambulance response), EMSRB's authority to set standards is limited.

We recommend that the Legislature direct EMSRB to develop and enforce performance standards for ambulance services. EMSRB should work with the Legislature to determine whether it needs additional statutory authority to set appropriate performance standards.

**Ambulance services face persistent staffing challenges across the state, but especially in outstate Minnesota.**

Many ambulance service directors responding to a survey we conducted were not confident their services will be able to meet the needs of their communities five years from now.

Although ambulance services in all parts of the state reported staffing challenges, staffing shortages appeared to be more acute in outstate Minnesota. In response to our survey, 61 percent of outstate service directors reported that during the previous month, they had difficulty staffing ambulance shifts at the level needed to adequately respond to 911 calls. Severe staffing shortages have sometimes led ambulance services to be unable to respond to calls from their primary service areas.

**Ambulance services with low numbers of ambulance runs may not receive enough revenue from billing patients to cover their costs.**

Unlike fire and police services, ambulance services typically are not primarily supported by taxes; instead they bill the individuals who use their service. However, services with low numbers of ambulance runs may have more difficulty covering the cost of providing continuous coverage than services with high numbers of ambulance runs. In addition, most ambulance service directors indicated that Medicare and Medicaid reimbursements are insufficient to cover costs. Services with revenue challenges instead rely on local government funding or volunteer ambulance personnel.

We recommend that the Legislature explore options for improving ambulance service sustainability in Minnesota, potentially through pilot programs.

### **EMSRB has been largely ineffective in its regulation and support of ambulance services in Minnesota.**

EMSRB—composed of a 19-member governing board, an executive director, and several staff—is the primary entity in Minnesota responsible for ensuring that ambulance care is delivered by licensed ambulance services and certified personnel. In addition to its regulatory responsibilities, the Legislature also created EMSRB to serve in a broad support role for emergency medical services in the state.

However, EMSRB has been ineffective in its role as a systemwide leader on emergency medical issues. For example, EMSRB has not created or implemented a statewide plan for emergency medical services and has taken limited action to address staffing and sustainability issues in Minnesota as a whole. Further, EMSRB has not updated emergency medical services regulations to account for changes in technology and service provision.

EMSRB has also failed to perform some of its basic responsibilities. For example, an EMSRB staff person told us that many complaints EMSRB received from about 2017 to 2020 were not investigated at the time, in part because EMSRB did not have sufficient numbers of staff.

The board has not adequately overseen the agency’s operations for some time. Although the board’s policies indicate it must annually evaluate the performance of the executive director, it has not conducted a performance appraisal in more than five years.

### **EMSRB’s board composition and unique responsibilities create risks for conflicts of interest.**

Although statutes require that EMSRB’s board members represent a variety of interests, nearly two-thirds of the board’s voting members as of September 2021 had professional ties to ambulance services. Only 1 of the board’s 17 voting members (6 percent) must be a member of the general public.

Further, unlike similar state boards, EMSRB regulates businesses. The relationships EMSRB board members have to ambulance services can create an appearance of conflicts of interest. Statutes and board policies define conflicts of interest narrowly, and do not take into account EMSRB’s unusual circumstances.

We make a number of recommendations to the Legislature and EMSRB to improve EMSRB’s operations. Most notably, we recommend that the Legislature consider whether to make structural changes to the EMSRB board. We also recommend that the Legislature clarify what constitutes a conflict of interest for EMSRB board members.

## **Summary of Agency Response**

*In a letter dated February 18, 2022, Emergency Medical Services Regulatory Board Executive Director Dylan Ferguson and Board Chair J.B. Guiton wrote that the evaluation report “raises several serious and important issues” and described efforts the agency has undertaken in recent months to address the concerns presented in the report. Although stating that “We are pleased with the early progress” of the agency, they acknowledged that “significant work remains” and called for further “swift and appropriate actions” from emergency medical services providers, policymakers, and regulators. They stated that EMSRB is “committed to working diligently and collaboratively with a broad range of stakeholders, including the Minnesota Legislature, to continue the process in implementing recommendations contained within this report.”*