

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 1080

(SENATE AUTHORS: HAUSCHILD)

DATE
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Introduction and first reading
Referred to Health and Human Services

OFFICIAL STATUS

1.1 A bill for an act

1.2 relating to health; establishing an ambulance operating deficit grant program;

1.3 establishing an account; requiring reports; proposing coding for new law in

1.4 Minnesota Statutes, chapter 144E.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. **[144E.54] AMBULANCE OPERATING DEFICIT GRANT PROGRAM.**

1.7 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this

1.8 subdivision have the meanings given.

1.9 (b) "Capital expenses" means expenses incurred by a licensee for the purchase,

1.10 improvement, or maintenance of assets with an expected useful life of greater than five

1.11 years that improve the efficiency of provided ambulance services or the capabilities of the

1.12 licensee.

1.13 (c) "EMS response" means the number of responses provided within a primary service

1.14 area during the most recently completed calendar year by the licensed ambulance service

1.15 provider designated to serve the primary service area as reported by the provider to the

1.16 board via the Minnesota state ambulance reporting system.

1.17 (d) "Government licensee" means any government entity, as defined in section 118A.01,

1.18 subdivision 2, including a Tribe, that is a licensee.

1.19 (e) "Insurance revenue" means revenue from Medicare, medical assistance, private health

1.20 insurance, third-party liability insurance, and payments from individuals.

1.21 (f) "Operating deficit" means the sum of insurance revenue and other revenue is less

1.22 than the sum of operational expenses and capital expenses.

(g) "Operational expenses" means costs related to the day-to-day operations of an ambulance service, including but not limited to costs related to personnel, supplies and equipment, fuel, vehicle maintenance, travel, education, and fundraising.

(h) "Other revenue" means revenue from any revenue that is not insurance revenue, including but not limited to grants, tax revenue, donations, fundraisers, or standby fees.

(i) "Response density" means the quotient of EMS responses divided by the square mileage of the primary service area.

Subd. 2. Program establishment. An ambulance operating deficit grant program is established to award grants to applicants to address revenue shortfalls creating operating deficits among eligible applicants.

Subd. 3. Account established. An ambulance operating deficit account is created in the special revenue fund in the state treasury. The director shall credit the account appropriations and transfers to the account. Earnings, including interest, dividends, and any other earnings arising from assets of the account, must be credited to the account. The director shall manage the account.

Subd. 4. Eligible applicants. For the purposes of this section "eligible applicant" means any licensee who possessed a license not excluded under subdivision 5 or 6 in the last completed state fiscal year for which data was provided to the director, as provided in section 62J.49, who continues to operate that same nonexcluded license at the time of application, and who provides verifiable evidence of an operating deficit in the state fiscal year prior to submitting an application.

Subd. 5. Licensee providing specialized life support services excluded. Licensees providing specialized life support services as described in section 144E.101, subdivision 9, are ineligible for grants under this section.

Subd. 6. Certain single license holders excluded. Licensees who possess only one license are not eligible for grants under this section if the licensed primary service area has a response density greater than 30.

Subd. 7. Certain multiple license holders excluded. (a) Except as provided under paragraph (b), all licenses held by a multiple license holder are ineligible for grants under this section if any license held by a multiple license holder is designated to serve a primary service area, any portion of which is located within the cities of Duluth, Mankato, Rochester, or St. Cloud, or a metropolitan county.

3.1 (b) For a multiple license holder affiliated with a private nonprofit adult hospital that is
3.2 located in Hennepin County and designated by the commissioner of health as a level I trauma
3.3 hospital, only the licenses held by the multiple license holder and located entirely within
3.4 one or more metropolitan counties are ineligible for grants under this section.

3.5 Subd. 8. **Application process.** (a) An eligible licensee may apply to the director, in the
3.6 form and manner determined by the director, for a grant under this section.

3.7 (b) A grant application made by a government licensee must be accompanied by a
3.8 resolution of support from the governing body.

3.9 Subd. 9. **Director calculations.** The director shall award grants only to applicants who
3.10 provide verifiable evidence of an operating deficit in the last completed state fiscal year for
3.11 which data were provided to the director. A grant awarded must not be more than five
3.12 percent more than any previous grant without special permission from the director.

3.13 Subd. 10. **Grant awards; limitations.** (a) Grants awarded under this section to eligible
3.14 applicants may be proportionally distributed based on money available. Total amounts
3.15 awarded must not exceed the amount in the ambulance operating deficit account.

3.16 (b) The director shall award grants annually.

3.17 (c) The director must not award individual grants that exceed the amount of the grantee's
3.18 most recent verified operating deficit as reported to the director.

3.19 Subd. 11. **Eligible expenditures.** A grantee must spend grant money received under
3.20 this section on operational expenses and capital expenses incurred to provide ambulance
3.21 services.

3.22 Subd. 12. **Report.** By February 15, 2026, and annually thereafter, the director must
3.23 submit a report to the chairs and ranking minority members of the legislative committees
3.24 with jurisdiction over health finance and policy. The report must describe the number and
3.25 amount of grants awarded under this section and the uses made of grant money by grantees.