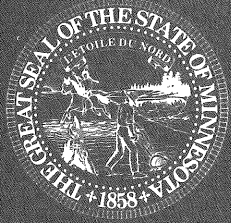


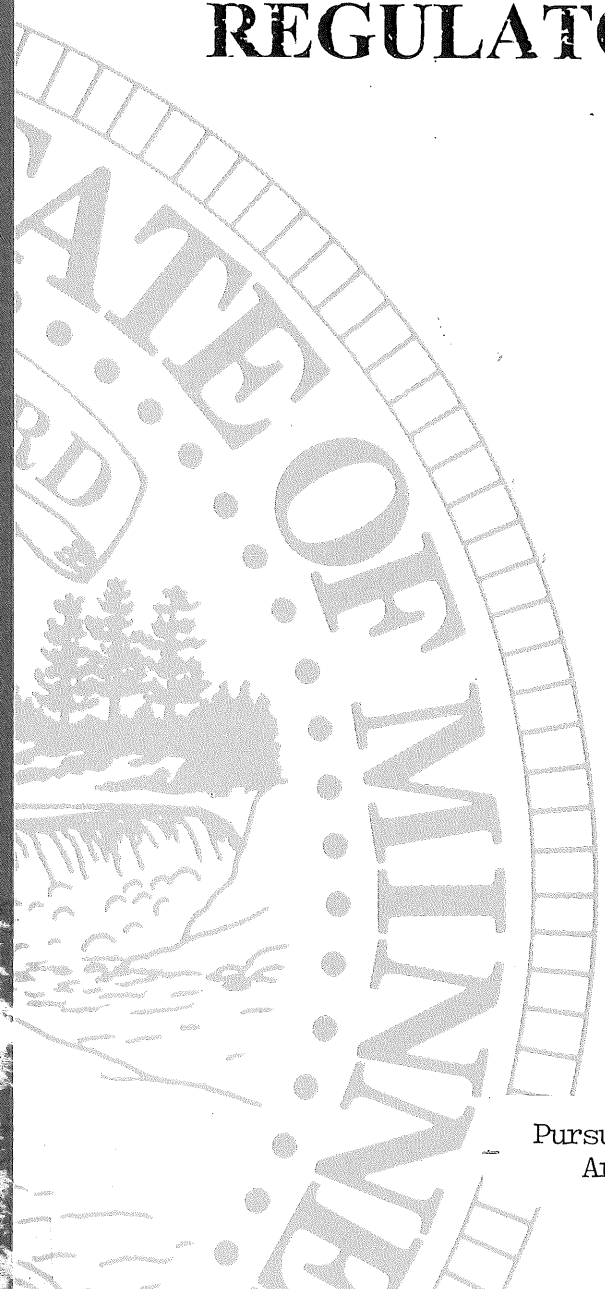
LEGISLATIVE REFERENCE LIBRARY  
RA645.6.M6 T73 1996  
- Transition plan for Emergency Medi  
  
3 0307 00061 0926

960150



MANAGEMENT  
ANALYSIS DIVISION

# TRANSITION PLAN for EMERGENCY MEDICAL SERVICES REGULATORY BOARD



RA  
645.6  
.M6  
T73  
1996

Pursuant to 1995 Minn. Laws Chap. 207  
Art. 9 Sec. 55

FEBRUARY 1996

---

**TRANSITION PLAN  
for EMERGENCY  
MEDICAL SERVICES  
REGULATORY BOARD**



**FEBRUARY 1996**

**Minnesota Department of Administration  
Management Analysis Division**

**203 Administration Building  
50 Sherburne Avenue  
St. Paul, MN 55155**

---

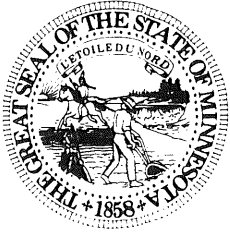
---

To obtain these materials in Braille, audiotape,  
large print or other forms, call

Caroline Wisniewski  
Voice (612) 296-7058 or TDD (612) 297-5353

---

Department of  
Administration



Our mission:  
To improve the quality  
and productivity  
of Minnesota  
government.

February 14, 1996

RECEIVED

MAR 07 1996

LEGISLATIVE REFERENCE LIBRARY  
STATE OFFICE BUILDING  
ST. PAUL, MN 55155

The Honorable Arne H. Carlson  
Governor, State of Minnesota  
130 State Capitol

Patrick E. Flahaven  
Secretary of the Senate  
231 State Capitol

Edward A. Burdick, Chief Clerk  
House of Representatives  
211 State Capitol

Gentlemen:

Pursuant to Minnesota Laws 1995, chapter 207, article 9, section 55, the Management Analysis Division has completed the transition plan for the transfer of emergency medical services related authority from the commissioner of health to the emergency medical services regulatory board. The report includes a summary of recommendations and time line for actions in table format at the beginning of the report.

Sincerely,

A handwritten signature in cursive script, appearing to read "Elaine S. Hansen".

Elaine S. Hansen  
Commissioner

esh/mh  
Attachment

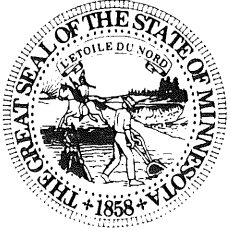
---

To obtain these materials in Braille, audiotape,  
large print or other forms, call

Caroline Wisniewski  
Voice (612) 296-7058 or TDD (612) 297-5353

---

Department of  
Administration



Our mission:  
To improve the quality  
and productivity  
of Minnesota  
government.

February 14, 1996

The Honorable Arne H. Carlson  
Governor, State of Minnesota  
130 State Capitol

Patrick E. Flahaven  
Secretary of the Senate  
231 State Capitol

Edward A. Burdick, Chief Clerk  
House of Representatives  
211 State Capitol

Gentlemen:

Pursuant to Minnesota Laws 1995, chapter 207, article 9, section 55, the Management Analysis Division has completed the transition plan for the transfer of emergency medical services related authority from the commissioner of health to the emergency medical services regulatory board. The report includes a summary of recommendations and time line for actions in table format at the beginning of the report.

Sincerely,

A handwritten signature in cursive script, appearing to read "Elaine S. Hansen".

Elaine S. Hansen  
Commissioner

esh/mh  
Attachment

RECEIVED

MAR 07 1996

LEGISLATIVE REFERENCE LIBRARY  
STATE OFFICE BUILDING  
ST. PAUL, MN 55155

---

# CONTENTS

EXECUTIVE SUMMARY	1
INTRODUCTION	3
OVERVIEW of the EMS SECTION	5
TRANSITION PLAN	7
Scope of transferred authority and related matters	13
Funding	19
Personnel	24
Office space and equipment	30
Continuity of services	33
Board actions following start-up	35
Linkage with state agencies	37
ENDNOTES	38

---

## EXECUTIVE SUMMARY

*The 1995 Legislature created an Emergency - Medical Services Regulatory Board with specific statutory authority for statewide emergency medical services — authority that currently resides with the commissioner of health. The board comes into existence July 1, 1996. The legislature directed the Management Analysis Division to prepare a transition plan, in consultation with the departments of Health and Public Safety and other EMS stakeholders, to assist in transferring the EMS-related authority to the board. This report presents the plan with specific recommendations and a time line.*

***Project leaders***

*Virginia Pierce and Mark Scipioni*

***Project team members***

*Joyce Simon, Mary Krugerud, Nancy López, and John Moreno*

***Division director***

*Frederick O. Grimm*

***Assistant director***

*Judy Plante*

***Editor***

*Mary M. Williams*

**T**he 1995 Minnesota Legislature directed the Management Analysis Division, Department of Administration, to prepare a transition plan to move emergency medical services-related authority from the Department of Health to the Emergency Medical Services Regulatory Board that is to come into existence July 1, 1996 (Laws 1995, Chapter 207, Article 9, Section 55). The plan addresses the scope of transferred authority and other statutory matters where some clarification may be needed. It also addresses funding, personnel, support services, and other transitional issues. Because the board will both come into existence and begin operations July 1, actions taken in the interim will be important to provide for continued effective EMS-related functions and a sound grounding for the board's first months.

The EMS Regulatory Board assumes the authority of the commissioner of health under statutes that encompass licensing of ambulance services, credentialing of emergency medical service personnel and EMS training programs, administering emergency medical services regional grants, and providing other program support. The authority for administering the state Poison Information program, a current responsibility of the EMS Section, was not transferred to the board and will have to find a new home in the department.

A foremost concern among EMS constituents was the specification of funding from available sources for the board's operations. The plan provides detailed information about the sources and amounts of expected funding. Funding for Fiscal Year 1997 (starting July 1, 1996) is expected to be \$1,542,167 for EMS operations and \$1,595,333 for grants to the eight EMS regions. Of the total \$3,137,500, about 48 percent is from trunk highway funds, 27



percent from the seat belt fines program, 16 percent from state general funds, and most of the remainder from federal funds (Preventive Health Block Grant and EMS for Children program grant) covering the first quarter of the state fiscal year. The amount of available carry-over funds from the current to the next fiscal year is not clear, according to the Department of Health, but can be expected to be minimal.

The transfer of personnel from the Department of Health's EMS Section appears to have been contemplated in the legislation. It is expected that current staff would transfer to the new board; however, if vacancies occur prior to July 1, the department should make an immediate assessment and take actions to fill critical vacancies. Important administrative services and support services, as well as office space and equipment, will have to be arranged in the interim. The transition plan identifies office equipment, including computer hardware and software, that will transfer with the EMS functions and indicates gaps to be filled. Several office space options that became apparent during the study are presented without recommendation; further investigation of options will be required. In particular, the opportunity to share services (and costs) with adjacent state offices and to contract at reasonable cost for administrative services of a specialized nature (for example, financial management) should be explored and resolved early in the board's work. Understanding the requirements of state systems (human resources, financial, procurement, and others) should be considered an early priority for the new board and executive director.

Many persons in the Department of Health, prominently including the EMS Section manager, have been working to identify needs and establish mechanisms and logistics for the transfer of functions to the board. The continuing work of the department will be critical to the transition success. One or more interagency agreements between the department and the board may facilitate continuation of essential support functions, perhaps also including office space, until the board has had time to establish its objectives, priorities, and preferences in these matters.

A bill that would grant limited authority to the EMS Regulatory Board to conduct certain functions prior to the transfer of full authority has been introduced in the 1996 Legislature. It would permit the board to convene for the purpose of selecting and hiring an executive director and conducting limited other work prior to July 1. Although the scope of the board's authority and resources in the April to July period should be clarified, early establishment of the board for the critical transition work of hiring a director appears reasonable to help ensure a workable transition.

The board must become familiar with the state system for hiring and should make use of a draft position description for the executive director and other supporting information being created by the Department of Health. The transition plan presents this and other matters that will require the early attention of the board.

Continuing linkages of the EMS Regulatory Board with the Department of Health and Department of Public Safety, as outlined in the transition plan, will help to ensure appropriate coordination of the many aspects of the state's emergency medical services systems.

---

---

## INTRODUCTION

**T**he 1995 Minnesota Legislature directed the Management Analysis Division, Department of Administration, to prepare a transition plan to transfer emergency medical services-related authority from the Department of Health to a new Emergency Medical Services Regulatory Board that will come into existence July 1, 1996.<sup>†</sup> The purpose of the transition plan is to assist the parties to effect transfer of authority, personnel, and funding, and to help with related matters by providing information, guidance, and recommendations concerning the issues.

This transition plan includes a review and analysis of the legislation, funding, personnel, equipment, office space, and administrative services. It presents a summary list of recommendations and time line for transition activities. The plan addresses transition roles and responsibilities. It also addresses post-July 1 actions, notably the areas of needed ongoing linkages between the department and the board.

The transition plan assumes that the statutory language in place as a result of the 1995 Legislative Session contains the operative parameters. However, it is known at the time of preparation of this report that certain limited statutory changes are proposed.

## BACKGROUND

Emergency medical services are the set of related services that provide acute care for injury or disease in a pre-hospital setting. The providers of EMS include first responders, ambulance services, and acute and tertiary care emergency medical facilities. In Minnesota statutes, the commissioners of health, public safety, and administration have emergency medical services-related authority.

The subject matter of the Emergency Medical Services Regulatory Board statutes<sup>2</sup> is transfer of specific authority of the commissioner of health for emergency medical services. Emergency medical services is a component of the larger health care delivery system and health regulatory system, for which the commissioner is charged with certain statutory responsibilities. The board statute directs the transfer of specific authority for duties performed primarily by the EMS Section in the department's Division of Health Policy and Systems Compliance, Bureau of Health Systems and Special Populations.

---

<sup>†</sup> Endnotes appear in the last section of the report.

---

## STUDY METHOD

Management Analysis employed a number of data-gathering techniques to create the transition plan. In accordance with the statutory directive, Management Analysis interviewed the commissioners of health and public safety (the latter, by designee) and individuals who represented the following organizations:

- the eight emergency medical services regions,
- the Minnesota Ambulance Association,
- the Minnesota Hospital Association,
- third-party payors including the Minnesota Insurance Federation, the Minnesota HMO Association, the state departments of Human Services (Medicaid) and Employee Relations (state employee health plans), and the Buyers Health Care Action Group,
- the Minnesota Association of Emergency Medical Services Physicians, and
- the Minnesota Fire Chiefs Association.

In addition, Management Analysis interviewed or contacted the following individuals:

- EMS Section staff including St. Paul office and field office staff,
- the EMS medical consultant,
- persons from the Hennepin and Minnesota regional poison information centers,
- Department of Health managers and executives,
- staff of the offices of Administrative Hearings, Attorney General, and Revisor of Statutes,
- persons from the Hennepin County Community Health Department, and
- additional persons from the EMS community who asked to be contacted for the study.

Management Analysis also reviewed related statutes and EMS rules, financial documentation, and other reports, memoranda, and documents related to EMS. Following the initial round of data gathering, limited additional contacts and inquiries were made prior to preparation of the report.

## STUDY COST

The 1995 Legislature directed preparation of the transition plan by the Management Analysis Division. The Department of Health contracted with Management Analysis to conduct the study and prepare the plan document. The study cost, provided here in accordance with the directive in M.S. §3.197, was \$51,480.

---

## OVERVIEW of the EMS SECTION

**T**he EMS Section regulates all ambulance services in the state, credentials emergency medical technicians and EMT training programs, designates and administers funds for eight regional EMS systems, participates in the state emergency preparedness system, designates and provides funding for poison information centers, administers the ambulance service personnel longevity fund, and conducts studies and activities as directed by the legislature.

The statutory authority for the EMS Section's activities is found primarily in M.S. §§144.801 to 144.8095, 145.93, 62N.381, 169.686, and Chapter 144C. The section's duties also involve many other sections of statutes having to do with various aspects of funding, regulation, and assistance.

The EMS Section administers state and federal funds including: (1) Section 402c of the Highway Safety Act of 1966 (Public Law 89-564); (2) the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), the Preventive Health and Health Services Block Grant; (3) the EMS Systems Support Act, including distribution of fines for state motorist failure to use seat belts; and (4) the state Volunteer Emergency Medical Technician Training Reimbursement program.

The principal activities of the EMS Section related to these authorities are:

- Licensing ambulance services. The staff reviews and makes recommendations concerning applications for ambulance service licensure and oversees administrative procedures for renewals.
  - Credentialing emergency medical services personnel. The staff registers first responders and credentials EMT-basics, EMT-intermediates, and EMT-paramedics.
  - Credentialing emergency medical services training programs. The staff reviews and makes recommendations concerning new and renewal applications of EMT training programs.
  - Investigation and enforcement. The staff responds to complaints, investigating allegations of noncompliance with laws and regulations by ambulance services and EMT training programs, institutes corrective or disciplinary actions, and regularly inspects ambulance services and reviews training programs.
  - Administering state and federal grants under various programs. The staff receives and reviews applications for grants and monitors reporting requirements for grant recipients.
  - Conducting EMS projects and studies with federal or state funding. An example is the EMS for Children program, which operates currently under a three-year federal grant.
-

The EMS Section manager has three supervisors and 17 additional staff reporting to him, including five field staff in Duluth, Fergus Falls, Marshall, Rochester, and St. Paul. Currently 17 positions have incumbents, one is being filled under contract, and three are vacant. The section contracts for the services of an emergency physician as a medical consultant (EMS medical director).

---

## TRANSITION PLAN

The transition plan covers the primary areas of concern in the transfer of emergency medical services-related authority to the EMS Regulatory Board from the Department of Health, including the scope of EMS authority transferred, funding expected to be available to the board, and personnel, office space, equipment, and administrative services considerations.

The transition plan is summarized in a table that includes all recommendations presented in the report and an action time line. The table is followed by narrative background and explanation for the recommendations. Recommendation numbers in the table are the same as those in the narrative.

### EMS REGULATORY BOARD TRANSITION PLAN

#### Summary of recommendations and 1996 time line

Transition plan recommendations	Feb— Mar	Apr— June	July—
<b>Statutory</b>			
1. The apparent oversight in §144.8093 that left one reference to the commissioner intact should be remedied by changing the reference to the EMS Regulatory Board.	☐ ☐ ☐		
2. If further work remains with respect to the directive in §62N.381, an extension of time should be considered by the legislature. Otherwise, transfer of this authority to the board would have no effect.	☐ ☐ ☐		
3. The commissioner of health should identify another location in the department to administer the poison information program.	☐ ☐ ☐		
4. The Department of Health or the board should request the Attorney General's Office to advise on the applicability of M.S. §214.055, M.S. §16A.1285, and M.S. §144.122 on the fees to be charged by the board and then should assess the consequent impact.			☐ ☐ ☐

Transition plan recommendations	Feb — Mar	Apr — June	July —
5. The draft statutory language provided by the Revisor's Office to change Minnesota Rules to coincide with statutory changes for transferred EMS authority should be enacted.	☐ ☐ ☐		
6. The board should promulgate rules or employ some other mechanism such as board policies to formally clarify and explain the practical implications of the conflict of interest provision in Section 35.			☐ ☐ ☐
7. Section 35, Subd. 7, could be made clearer regarding the transfer of existing staff and whether the appointment of new staff rests in the discretion of the director or both the director and board. The changes could be proposed by the board if it deems them necessary.			☐ ☐ ☐
8. The commissioners of health and public safety should be added to the EMS Regulatory Board, both because they appear to be necessary parties to coordinate EMS-related policies and actions and because of consensus of the parties interviewed in the study that this is appropriate.	☐ ☐ ☐		
9. The Department of Health should determine whether to recommend changes in statutes or rules to require that specific additional information be included in the record in ALJ hearings on ambulance licensing.	☐ ☐ ☐		
<b>Funding</b>			
10. The Department of Health should draft the FY 1997 contracts for the eight EMS regions and submit them for action to Health's financial management so the contracts can be immediately executed by the new board and the funds encumbered.		☐ ☐ ☐	
11. The board should review and approve the EMS region contracts and encumber funds to ensure that funds go to the regions in a timely manner.			☐ ☐ ☐
12. The board should resolve the disposition of FY 1997 federal preventive health block grant funds for EMS.			☐ ☐ ☐

Transition plan recommendations	Feb— Mar	Apr— June	July—
13. The Department of Health should request that the Finance Department authorize any carry-forward funds to the board.		☐ ☐ ☐	
14. With regard to the EMS for Children program, the Department of Health should, if continued funding can be obtained for the program beyond the end of the federal fiscal year ending Sept. 30, 1996, ensure that timely application for such continued funding has occurred and that any other preparatory actions required to ensure continued funding and program operation are taken by the time the transfer is made to the board.		☐ ☐ ☐	
15. The board should establish contact with the Department of Public Safety at the earliest time, if it decides to apply for Section 402 funds.			☐ ☐ ☐
16. The Department of Health should clarify for the board the status of the report on ambulance service rate regulation and its related funding.			☐ ☐ ☐
Personnel			
17. If the board cannot be appointed until July 1, the board should consider a statutory unclassified position for an interim director to manage EMS and assist the board in starting up from July 1, until a permanent executive director can be hired.			☐ ☐ ☐
18. The board should immediately contact the Health Department's Human Resources Office and the staffing division of the Department of Employee Relations to establish its process for hiring a director, and, if it deems appropriate, appoint a search committee.			☐ ☐ ☐



Transition plan recommendations	Feb — Mar	Apr — June	July —
19. If the board is appointed prior to July 1, it should undertake its interim authority with emphasis on director hiring, acquaintance with EMS staff and activities (staff would not be under their authority until July 1), and additional transition planning with the department.		☐ ☐ ☐	
20. The board should evaluate and determine the role and responsibilities of the medical director.			☐ ☐ ☐
21. The Department of Health should develop a recommendation, for the board to consider, for an organizational structure and staff positions. The board should conduct an evaluation of staff functions and positions, after initial goal setting and planning.			☐ ☐ ☐
22. The board should explore options for incorporating the specialized skills that will be required and specifically consider an interagency agreement with the Department of Health to cover these functions, at least for the shorter term after board start-up. In the longer term, other arrangements may be explored.			☐ ☐ ☐
23. The board should clarify at the earliest time the arrangements for representation by the Attorney General's Office.			☐ ☐ ☐
24. The board should investigate creating a position similar to an office services supervisor or business manager to provide administrative support and office management. A temporary position may be developed in the short term, with an evaluation of how to best accomplish these functions in the longer term.			☐ ☐ ☐
25. The Department of Health should initiate action to fill any critical vacancies that occur before the staff transfers to the board. The board should be prepared for the possible need to fill vacancies shortly after start-up.		☐ ☐ ☐	

Transition plan recommendations	Feb— Mar	Apr— June	July—
<b>Office space and equipment</b>			
26. Until the board is able to make a decision concerning office location, the staff should remain co-located with the Department of Health (in the same building and within range of services). Health should prepare draft interagency agreements for board approval that would allow this to take place. The agreements should cover all subjects (lease, services) so that staff can continue work uninterrupted. The board should be able to move out, under the terms of the interagency agreement, or continue to rent space and services, in some reasonable increment of time until more permanent arrangements are determined.	☐ ☐ ☐		
27. Health should develop an interagency agreement for board approval so that the EMS specialists may continue to use Health's regional offices, unless before July 1 EMS specialists are moved to another location, such as home offices. After July 1, the board can decide to continue the interagency agreement for space and services in district offices, use home offices, or employ another option.	☐ ☐ ☐		
28. The board should contact the Real Estate Management Division of the Department of Administration for assistance in procuring office space.	☐ ☐ ☐		
29. Because the costs related to a move from the current location have not been budgeted, the Department of Health should help to identify EMS funds that could be used for the costs of equipment, furnishings, and other items that would be required for start-up operation at a new location.	☐ ☐ ☐		
<b>Continuity of services</b>			
30. The Health Department and EMS Section staff should be responsible for ensuring continuity of emergency medical services during the transition, following the recommendations made by the staff and section manager.	☐ ☐ ☐		

Transition plan recommendations	Feb — Mar	Apr — June	July —
31. The Health Department should develop background information, lists, checklists, and other information to assist the board in the areas of the operating budget, grants, rules, office space, equipment, and other matters to ensure that EMS activities are maintained through the transition. This information would go beyond what can be put together for this report and may include interagency agreements.		☐ ☐ ☐	
32. A statutory change to resolve the transition period issues for licensing applications that are pending on July 1, 1996, such as one of those suggested in this report, should be immediately implemented. A nonstatutory (administrative) solution probably could be made workable but is considerably less desirable.	☐ ☐ ☐		
33. Health should draft interagency agreements that provide for administrative and other services and space that would be provided to the EMS board, including the costs.		☐ ☐ ☐	
34. The board should work with state departments including Finance and Employee Relations to establish appropriate accounting and other state transaction accounts, with advice and assistance from the Department of Health.			☐ ☐ ☐
<b>Board actions following start-up</b>			
35. The board should ensure continuation of critical EMS activities by undertaking several essential start-up activities, including planning; structure, systems, and process design; roles and responsibilities assignment; and orientation of board members.			☐ ☐ ☐
<b>Linkage with state agencies</b>			
36. The board should establish and maintain linkages (regular communications and information exchange) with the Department of Health, in particular, and also maintain contacts with the Department of Public Safety and the Department of Administration.			☐ ☐ ☐

---

## SCOPE of TRANSFERRED AUTHORITY and RELATED MATTERS

The EMS Regulatory Board is established and given authority and a new chapter 144E ("Emergency Medical Services Regulatory Board") is created in 1995 Laws, Chapter 207, Article 9, which is effective July 1, 1996.<sup>3</sup> The legislation provides that

The emergency medical services (EMS) system and the critical public health needs it addresses would be greatly enhanced by establishing an *independent governing body* that has the responsibility and authority to ensure the efficient and effective operation of the system" and that "creation of an independent governing body can better *coordinate all aspects of the EMS response system* with various prevention efforts"<sup>4</sup> [emphasis added].

Board membership will include an emergency physician, a representative of Minnesota hospitals, a representative of fire chiefs, a full-time fire-fighter, a volunteer fire-fighter, a paramedic or emergency medical technician currently practicing with a licensed ambulance service, an ambulance director, a representative of sheriffs, a member of a local health board, two representatives of regional EMS programs including one from the metropolitan region, a registered nurse, a board-certified pediatrician with EMS experience, a family practice physician with EMS experience, and a public member at least 65 years old who resides in Minnesota. Board members are to be appointed by the governor, considering recommendations of the professional and trade organizations associated with the individual categories of board membership.<sup>5</sup>

The board is directed to appoint an executive director and may appoint other staff.<sup>6</sup> The duties of the board<sup>7</sup> are to: (1) administer and enforce the provisions of Chapter 207 and other duties as assigned; (2) advise applicants for state and federal emergency medical services funds, review and comment on their applications, and approve the funding unless otherwise required by federal law; (3) make recommendations to the legislature on improving the access, delivery, and effectiveness of the state's emergency medical services system; and (4) establish procedures for investigating, hearing, and resolving complaints against emergency medical services providers. The board is also given authority to prepare an initial work plan and update it biennially to deal with specified issues.

A conflict-of-interest provision for board members is provided in the statute: "No member of the emergency medical services regulatory board may participate or vote in board proceedings in which the member has a direct conflict of interest, financial or otherwise."<sup>8</sup>

---

## Authority transferred

The authority transfer language provides: "The powers and duties of the commissioner of health under Minnesota Statutes, sections 62N.381, 144.801 to 144.8095, and chapter 144C are transferred to the emergency medical services regulatory board under Minnesota Statutes, section 15.039."<sup>9</sup> The statutory changes to these three chapters are discussed below.

**Ambulance Service Rate Negotiation (M.S. §62N.381).** The authority for developing review criteria for ambulance service rate proposals and reviewing rate proposals between ambulance services and community integrated service networks (CISNs) or integrated service networks (ISNs) is transferred to the board. However, M.S. §62N.381 expires July 1, 1996, the date the board comes into existence.

**Life Support Transportation Services (M.S. §§144.801 to 144.8091).** These provisions govern regulation and licensing of ambulance services, including the regulation of primary service areas (PSAs), the areas of exclusive ambulance service operations. The new law transfers the health commissioner's ambulance licensure authority to the EMS Regulatory Board.

The statute significantly changes the process for ambulance service licensure. In current legislation, the commissioner of health has final authority for licensing decisions, with hearings conducted by the Administrative Hearings Office as needed. In the new law, final decision authority rests with an administrative law judge, who directs the board's action on the license.

Applications will go first to the board, which reviews them "for completeness, clarity, and content." Within 30 days of receiving a completed application, the board must forward the application, with recommendations, to the chief administrative law judge (Office of Administrative Hearings). The ALJ holds a hearing and must consider and make part of the public record the board's recommendations. The ALJ is required to take into account factors specified in the legislation, including recommendations or comments of governing bodies of affected counties and municipalities, to which was added the regional emergency medical services system. The ALJ reviews each application and must "forward a decision and order as to its disposition to the board within 90 days of receiving notice of the application." The ALJ orders the board to grant or deny a license or grant a modified license and sets forth the reasons for the order. Within 30 days after receiving the ALJ's order, the board must grant or deny the license. The administrative law judge's decision is the final administrative decision, and recourse beyond that is to the judicial system.

The new law provides that the board may initiate a contested case hearing to suspend, revoke, or refuse to renew a license upon finding of violations of §§144.801 to 144.808 or that the licensee has ceased to provide service for which it is licensed. "The decision of the administrative law judge in the contested case hearing shall be the decision of the board."<sup>10</sup>

---

Other sections govern authority for ambulance service standards (114.804); penalties for noncompliance (114.806); reporting (144.807); and inspections (144.808). They also govern renewal of the basic emergency care course certificate (144.809) and reimbursement to nonprofit ambulance services for courses (144.8091). In each of these sections, the new law transfers authority to the board. The law also deletes reference (in 144.804) to a study of first responders by the commissioner. And (in 144.809) the law deletes reference to the date (Aug. 1, 1994) by which rules were to be adopted concerning upgrades of EMT certificates.

**Minnesota Emergency Medical Services Systems Support Act (M.S. §§144.8093 to 144.8095).** The new law transfers to the board authority for administration of a special EMS fund (144.8093) and distribution of other funds (144.8095) to the EMS regions.

**Ambulance Service Personnel Longevity Award and Incentive Program (M.S. Chapter 144C).** The program purpose is to pay longevity awards to qualified volunteer ambulance service personnel for substantial career service at the end of their careers. Authority for administration of this program is transferred to the board.

## Authority not transferred

**Poison Control System (M.S. §145.93).** The EMS Section staff administers this section of statutes, which provides for regional poison information centers that provide statewide information and education services to the public and health professionals. The program currently makes grants to two centers. No change was made to transfer this authority from the commissioner of health to the EMS board.

## Related matters

**Level of funding.** The legislation provides that the legislature intends that the transfer of authority “not increase the level of funding for the functions transferred.”<sup>11</sup>

**Minnesota EMS Advisory Council (MEMSAC).** Section 144.8097 of statutes, which established the emergency medical services advisory council, commonly known as MEMSAC, is deleted effective July 1, 1996.<sup>12</sup>

**Recovery of fees.** Laws 1995, Chapter 207, Article 9, Section 49, provides: “214.055. Fees to recover expenditures. A health-related licensing board that is created on or after September 1, 1995, must establish a fee structure which fully recovers its expenditures during a five-year period.” However, Section 214.01, which defines the “health-related licensing boards” by listing all of them, was not amended to include the EMS Regulatory Board.

---

## Statutory issues and recommendations

**Authority in §144.8093 (one reference unchanged).** In this section that otherwise transfers all authority to the board, one reference to the commissioner remained unchanged.

1. The apparent oversight in §144.8093 that left one reference to the commissioner intact should be remedied by changing the reference to the EMS Regulatory Board.

**Rate negotiation provisions §62N.381 expiration.** The authority in M.S. §62N.381 (ambulance service rates) expires July 1, 1996, the date the board comes into existence.

2. If further work remains with respect to the directive in §62N.381, an extension of time should be considered by the legislature. Otherwise, transfer of this authority to the board would have no effect.

**Poison information centers.** The non-transfer of authority for the poison information centers (M.S. §145.93) means that the function would continue to reside in the Department of Health. The EMS Section staff that performs the function transfers to the EMS Regulatory Board.

3. The commissioner of health should identify another location in the department to administer the poison information program.

**Application of new section "214.055. Fees to Recover Expenditures."** The section provides, "A health-related licensing board that is created on or after September 1, 1995, must establish a fee structure which fully recovers its expenditures during a five-year period."<sup>13</sup> The applicability of this provision to the EMS Regulatory Board may be resolved, but further clarification may be required.

The board's authority will include the licensing of ambulance services including operating territories (PSAs) as well as credentialing of ambulance service personnel. The licensing generates fee revenues. One issue is whether the EMS Regulatory Board was intended to be a "health-related licensing board." Section 214.01, Subd. 2, of statutes specifies agencies that are "health-related licensing boards," and it was not amended in the 1995 legislative session to include the EMS Regulatory Board. These health-related licensing boards are composed primarily of members of health-related regulated occupations and are charged with formulating policies and standards governing the occupations.<sup>14</sup> Because the EMS Regulatory Board was not added to the specific list of health-related licensing boards and does not have as its central activity licensing an occupation, it may be assumed that it was not intended to be a health licensing board. However, this might be a matter of clarification of legislative intent requiring statutory clarification by the board at a later time.

---

---

If the EMS Regulatory Board was determined to be, or would be made, a “health-related licensing board,” a question would arise whether the statutory requirement of recovery of program expenditures through fees over five years would be interpreted to apply to the whole operation of the board or only the part concerned with licensing. Ambulance services are “licensed” while emergency medical technicians and EMS training programs are “credentialed.” Fees are generated from each of these efforts. Fees for renewal of a basic course certificate by a volunteer EMT are limited by statute to \$2 (§144.809, Subd. 3). Currently, EMS in the Department of Health receives funding from a number of dedicated state and federal sources including federal block grants, state general funds, and licensing and other fees.

If §214.055 is inapplicable, two other provisions of statutes set standards for the amount of license fees. Section 144.802 provides that “The cost of licenses shall be in an amount prescribed by the board pursuant to section 144.122.” Section 144.122 provides that “All fees proposed to be prescribed in rules shall be reasonable. The fees shall be in an amount so that the total fees collected by the commissioner will, where practical, approximate the cost to the commissioner in administering the program.” The second statutory provision that governs fees is §16A.1285, which requires that state agencies levy charges for regulation, licensing, or similar charges at a level that neither significantly over-recovers or under-recovers costs, including overhead costs.<sup>15</sup>

4. The Department of Health or the board should request the Attorney General’s Office to advise on the applicability of M.S. §214.055, M.S. §16A.1285, and M.S. §144.122 on the fees to be charged by the board and then should assess the consequent impact.

**Rules to coincide with statutory changes.** Minnesota Rules Chapter 4690 (Rules Relating to the Regulation of Ambulance Services) was promulgated under Section 144.804. The rules contain many references to the commissioner’s authority and responsibilities. The rules should be changed to reflect that authority has changed to the EMS Regulatory Board. On request, the Revisor’s Office has provided specific statutory language to direct the revisor to change rules to coincide with statutes.

5. The draft statutory language provided by the Revisor’s Office to change Minnesota Rules to coincide with statutory changes for transferred EMS authority should be enacted.

**Board conflict of interest provision.** The provision in Section 35 regarding conflicts of interest of board members states: “No member of the emergency medical services regulatory board may participate or vote in board proceedings in which the member has a direct conflict of interest, financial or otherwise.” The language by itself may not provide sufficient guidance to board members regarding action they must take when a potential conflict of interest situation arises.

6. The board should promulgate rules or employ some other mechanism such as board policies to formally clarify and explain the practical implications of the conflict of interest provision in Section 35.
-



**Appointment of staff and authority for new staff hiring.** It appears that EMS Section staff of the Department of Health would transfer to the board pursuant to M.S. §15.039, Subd. 7. The specific language of staff transfer in Chapter 207, Article 9, Section 35, provides only that “the board shall appoint an executive director who shall serve in the unclassified service and may appoint other staff.” Management Analysis was informally advised by the Attorney General’s Office that the two provisions do not appear to be in conflict regarding the transfer of existing staff to the board. The interpretation Management Analysis received was that current staff transfer and future staff would be appointed by the board and the director.

7. Section 35, Subd. 7, could be made clearer regarding the transfer of existing staff and whether the appointment of new staff rests in the discretion of the director or both the director and board. The changes could be proposed by the board if it deems them necessary.

**Expanding the board to include commissioners.** The commissioners of health and public safety were omitted as members of the EMS Regulatory Board. Both policy and practical reasons would dictate that they or their designees would be important additional members of the board.

8. The commissioners of health and public safety should be added to the EMS Regulatory Board, both because they appear to be necessary parties to coordinate EMS-related policies and actions and because of consensus of the parties interviewed in the study that this is appropriate.

**ALJ authority for licensing matters.** Under the new statutes, the Office of Administrative Hearings has final decision-making authority for ambulance service licensing. Under current law, the commissioner of health has final decision-making authority following a hearing by the ALJ. Management Analysis became aware from interviews that there may be relevant information from interested parties (for example, other affected ambulance services or the Department of Health) that has not in the past been available to be put on the record for consideration by the ALJ in licensing decisions, that under the new law might appropriately be placed in the hearing record.

9. The Department of Health should determine whether to recommend changes in statutes or rules to require that specific additional information be included in the record in ALJ hearings on ambulance licensing.
-

## FUNDING

The Emergency Medical Services (EMS) programs in the Department of Health have been funded from several state and federal sources. As described below, most of these will continue as revenue sources when activities move from the Department of Health to the Emergency Medical Services Regulatory Board on July 1, 1996. The funds have been used or are designated for five major activities: (1) grants to Minnesota's regional EMS organizations; (2) program administration (staff and other operational costs); (3) special EMS-related reports or studies; (4) training reimbursements; and (5) longevity awards for volunteer emergency medical team members. A narrative description of the sources and uses of funds is presented below, followed by a budget statement.

**Trunk Highway Fund** — In the 1996-97 biennial budget, \$1,513,000 is allocated each year from the Trunk Highway Fund to EMS activities. Funds are requested in the biennial budget in the same way as for the state general fund. When the budget is approved, the funds are authorized and made available at the beginning of each fiscal year. In FY 1997, \$903,000 is budgeted for operations (staff, supplies, travel expenses, and others). In FY 1996, \$82,000 of that amount was for indirect costs. Indirect costs are commonly referred to as overhead costs and include statewide indirect costs and department indirect costs such as rent and utilities, monthly telephone charges, use of human resources or fiscal staff at the Department of Health, and payroll services. The Trunk Highway Fund is the primary source of support for the EMS Section staff and their activities.

In FY 1997, \$610,000 from the Trunk Highway Fund is allocated equally to the eight EMS regions in the form of grant contracts. None of these funds are currently retained by the Department of Health for grant administration.

**General Fund** — According to the Department of Health 1996-97 biennial budget, \$639,000 is allocated from the state general fund for EMS activities. These funds will transfer to the EMS Regulatory Board in FY 1997, as follows:

- \$100,000 for regional EMS grants. Per statute formula, \$6,667 is retained by the EMS program for administration. The remaining \$93,333 is distributed in equal amounts for grants to the eight EMS regions.
- \$449,000 for training reimbursement to local EMS (ambulance service) volunteers.
- \$35,000 for preparation of an EMS system report to the legislature (in odd-numbered years).

From the ambulance service personnel longevity fund,<sup>16</sup> \$62,000 is estimated for the administration of the longevity awards. In FY 1996, \$61,823 was expended to cover administration. The administrative funds are drawn from the longevity fund account. The amount

is not set by formula or separate appropriation, but is determined by estimating the costs of administration. The current year's budget for administration was approved by the department; in FY 1997, the EMS board will approve the longevity account administrative budget.

**Special Revenue** — The Department of Health estimated that \$842,000 in seat belt revenues will be available for distribution to the eight EMS regions. The funds come from fines assessed against motorists who do not use seat belts. The funds are allocated to the EMS regions by statutory formula. This is a "pass-through" grant fund administered by the EMS program. None of these funds are currently retained by the department for administration.

**Health Care Access Fund** — MinnesotaCare legislation authorized a study of ambulance service rate proposals. An allocation of \$2,000 was made for the project in Fiscal Year 1997. The study has not been completed as of the date of this report.

**Emergency Medical Services for Children (EMSC)** — The following discussion and presentation of funding sources assumes that the responsibilities and funding will transfer to the board, based on various information provided by the Department of Health and figures in a proposed budget document related to the board. Management Analysis was told that the department intends to transfer the EMS for Children program to the board. Management Analysis also was informed that the federal program representative has recommended and the department's EMSC Steering Committee has concurred that the program should continue to be an EMS activity and transfer to the EMS Regulatory Board on July 1, 1996.

Minnesota is in the third year of a three-year EMSC grant from the federal government. The current year's grant is \$310,000 for the period ending Sept. 30, 1996. One-quarter of the grant is available to the board during the first quarter of the state fiscal year (July 1 to Sept. 30, 1996) to complete the grant requirements. This amount will be transferred to the board. The Department of Health has noted that an extension of time could be requested of the federal agency to complete the grant requirements. The balance of unspent funds from state FY 1996, if any, will also be available and transferred to the EMS board.

EMS staff report that additional grant requests are being prepared. If a grant application is made for the next federal fiscal year (assuming transfer to the board), it will be done with the understanding that the EMS Regulatory Board will administer the funds and carry out the grant requirements.

**Preventive Health Block Grants** — These funds are awarded by the federal government to state health authorities annually as a block grant for many varied activities. Allocation of the block grant requires development of an annual plan with review and recommendation by a federally mandated state advisory council. The current grant allocation includes \$200,000 to the eight EMS regions and funding of one EMS staff supervisory position. The current grant extends through

---

Sept. 30, 1996, the end of the federal fiscal year. One quarter of the allocation is budgeted for July 1, 1996, to Sept. 30, 1996, and shows as being transferred to the EMS Regulatory Board.

The Health Department has informed Management Analysis that it will apply for the next block grant, for the period Oct. 1, 1996, to Sept. 30, 1997. Receipt of a grant and the amount depend on continued availability of federal dollars. In order for the EMS Regulatory Board to continue to be funded by this source, it would have to be included in the Department of Health's application. If the board is included, the department would contract with the board for the activities. There is no mandate in federal legislation or regulations requiring the funding of EMS activities from these funds, and Management Analysis is not aware whether the department has decided on an amount of funding from this source for EMS activities under the new board for federal Fiscal Year 1997.

The regions have received a \$200,000 allocation each year since 1989. One EMS supervisory position is funded through this grant. Although the position transfers to the EMS board, the availability of grant funding is not guaranteed beyond Sept. 30, 1996. In its biennial budget plan, the Department of Health showed continued federal funding for these activities. However, that budget document was prepared when EMS activities were expected to stay within the department. In addition, the plan was developed with the understanding that the allocation of grant funds would depend on the Preventive Health Block Grant advisory council recommendations and the availability of funds from the federal government.

The block grant is also used to fund poison information centers, currently administered by the EMS Section in the department. The statute that created the EMS board did not transfer authority for the poison information centers. Funding for the poison information centers will remain with the Department of Health.

**Department of Public Safety - Section 402 special projects funds** — The Department of Health did not receive money from this source in Fiscal Year 1996. However, the Department of Public Safety, which administers the funds, has stated that it would work with the EMS board to qualify for funding. These funds would be used for EMS special projects that may be carried out at the state or regional level.

**Carry-forward funds** — The unexpended appropriations of general funds and Trunk Highway Funds, if any, at the end of Fiscal Year 1996 may be carried forward and used in FY 1997. This is governed by M.S. §16A.28, which states, "Agencies may carry forward unexpended and unencumbered non-grant operating balances from the first year of a biennium in the second year of the biennium . . . . No money shall be carried forward without the approval of the commissioner of finance." Management Analysis has not received an estimate of the amount of any funds that would carry over at the end of the fiscal year to the new board.

---

**TABLE 1. Funds expected to be available to the EMS board for FY 1997**

	Operations	Regional grants	Totals
Trunk Highway Funds	\$903,000	\$610,000	\$1,513,000
State general funds	41,667	93,333	135,000
State general funds for training reimbursement	449,000	—	449,000
State general funds for the longevity fund - administrative portion	62,000	—	62,000
Special revenue - seat belt fines	—	842,000	842,000
Health care access fund	2,000	—	2,000
EMS for Children federal grant - first quarter only	77,500	—	77,500
Preventive health block grant - first quarter only	14,000	50,000	64,000
<b>Totals</b>	<b>\$1,549,167</b>	<b>\$1,595,333</b>	<b>\$3,144,500</b>

## Recommendations

10. The Department of Health should draft the Fiscal Year 1997 contracts for the eight EMS regions and submit them for action to Health's financial management so the contracts can be immediately executed by the new board and the funds encumbered.
11. The board should review and approve the EMS region contracts and encumber funds to ensure that funds go to the regions in a timely manner.
12. The board should resolve the disposition of Fiscal Year 1997 federal preventive health block grant funds for EMS.
13. The Department of Health should request that the Finance Department authorize any carry-forward funds to the board.

14. With regard to the EMS for Children program, the Department of Health should, if continued funding can be obtained for the program beyond the end of the federal fiscal year ending Sept. 30, 1996, ensure that timely application for such continued funding has occurred and that any other preparatory actions required to ensure continued funding and program operation are taken by the time the transfer is made to the board.
  15. The board should establish contact with the Department of Public Safety at the earliest time, if it decides to apply for Section 402 funds.
  16. The Department of Health should clarify for the board the status of the report on ambulance service rate regulation and its related funding.
-

## PERSONNEL

The authority for the board becomes effective July 1, 1996. The timing of board formation, hiring of the executive director, and transfer of staff will be important to the board's start-up success.

### Regulatory board

**Board appointments.** An important aspect of the transition, according to many interviewees, is the timely formation of the board. They expect the board to be in place and ready to operate by July 1, 1996, meaning that the board must be appointed prior to July 1. Interviewees want the appointment process to be widely announced throughout the EMS community, with an ample opportunity to apply and information provided about how to apply.

EMS board appointments were first announced in the *State Register* July 3, 1995, when the new EMS statute became law. They were listed as "not available at this time." About 200 people applied as a result of the announcement. According to the Governor's Office of Open and Judicial Appointments, those applicants will be considered along with new applicants.

Board appointments will be announced again in the first *State Register* after the 1996 Legislative Session, to reflect any changes to the EMS statutes. If the legislature changes the statute to appoint the board earlier than July, the governor's appointments office will publish notice in the *State Register*. Notice of board member openings is published once each month, with three weeks for response by applicants. All applicants will be notified whether or not they are selected for the board.

Statutes direct that the governor will consider recommendations from a number of organizations in making appointments. Those organizations should alert individuals they would like to support for board membership and encourage them to apply. The individuals must submit their own applications. The organizations should also send a letter of recommendation that states the names of persons they want the governor to consider for appointment to the board.

The statute provides that board appointments are subject to the advice and consent of the Senate. When the Senate is not in session at the time appointments are made, board members serve in an unconfirmed capacity and can perform all official functions of the board until the Senate acts on the appointments. If a person is not later confirmed, that person must leave the board immediately.

Persons who want to apply to be considered for board membership, and the organizations specified in legislation to provide recommendations of individuals for appointment, should

---

contact the Governor's Office of Open and Judicial Appointments regarding timing and requirements for the appointments process if they do not now understand the requirements.

**Board membership and representation.** Persons interviewed for this study noted several issues with respect to board membership, including concerns that physicians and rural EMS matters be adequately represented and that the commissioners of health and public safety be on the board.

Many interviewees expressed concern that the board membership presents the potential for conflicts of interest, specifically with respect to ambulance licensure. They said that the EMS board must be regulatory to protect the public and not an advocacy board for EMS providers. There was concern that members who represent hospitals, physicians, ambulance services, and possibly others could have an interest in the outcome of any given application for licensure of an ambulance service or in a contested case. There was also concern about the influence of large providers, because board members that represent different organizations may have connections to or interest in large providers. It was suggested that further work be done with respect to the conflict issues to provide for checks and balances. Some interviewees were familiar with nonprofit organizations' bylaws used for this purpose. In the state agency context, additional statutory provisions, board rules, board policies, or other mechanisms might be used for this purpose.

## **Executive director**

Interviewees were concerned that an executive director be hired by July 1, 1996. The executive director is a pivotal position in making the transition happen as efficiently as possible. Key aspects of the transition are seeing that an operating budget is developed and that staff, office space, and equipment are in place. Prior to hiring the executive director, these functions need to be advanced by the department. It was suggested that an interim executive director be hired as soon after July 1 as possible to take care of these functions if the board cannot be formed before July 1 and complete the hiring process by July 1. No funds were allocated for expenses prior to July 1 and interviewees asked whether current EMS funds can be used for start-up expenses.

Interviewees were divided on whether there should be a national search for the executive director. Many said that the executive director should have skills and experience in administration, management, government, and emergency medical services.

**Administration.** The executive director needs experience with boards and skills in organization and administration, financial administration, and obtaining grants.

---



**Management.** The executive director needs to have management experience, good communication and human relations skills, and the ability to give direction and take charge.

**Government.** The executive director needs to have knowledge and experience in government and the legislative process, have political skills, and be public-policy-minded.

**Emergency medical services.** The executive director needs to know EMS technically and know EMS in Minnesota and nationally.

A pending bill directs appointment of members of the EMS board no later than April 1, 1996. Under this bill the board may begin meeting, appoint an executive director, and take other action necessary to prepare for the transition of emergency medical services-related authority, effective the day following final enactment.

## **EMS medical consultant**

The board statute has no specific provision for a medical consultant (medical director). The relationship of the medical director to the board and staff can be determined by the board. The current medical director is in the second year of a two-year contract that ends June 30, 1996. He functions as a consultant to EMS and contracts for 240 hours per year at \$60 an hour. The medical director provides medical oversight, works with ambulance services regarding protocols, inspects training programs for medical direction and quality of instructors, works with variances in service, reviews training program protocols, works on mechanisms for quality control, reviews complaints about medical matters, and helps plan the annual EMS medical director retreats, an information-sharing and continuing education event. The future role of the medical director would be to work with the board and the executive director as a consultant on medical matters, statute changes, and studies on state EMS matters.

## **Staff**

Management Analysis has been informed that, in accordance with the board statute and M.S. §15.039, staff of the EMS Section of the Health Department will transfer to the new board. The EMS board will be a state agency, so staff will continue as state employees and transfer with the same job classifications, salaries, benefits, and collective bargaining units. Employees may attempt to find other opportunities or vacancies in the department, as provided by collective bargaining agreements.

---

**TABLE 2. Current EMS Section staff**

WORKING TITLE	CLASSIFICATION	COMMENTS
Section Manager	Health program manager	
Training Compliance Supervisor	Health program supervisor	
Assistant Training Coordinator	Health program aide	
Training Program Compliance Coordinator	Health program representative senior	
EMS Secretary	Clerk typist II	
Programmer - Analyst	Programmer - analyst	Vacant†
EMS for Children Grant Coordinator	Health planner principal	Temporary to 9/30/96
Licensing Compliance Supervisor	Health program representative principal	
Ambulance Licensing Coordinator	Health program representative	
EMS Specialist (five field staff)	Health program representative intermediate	
EMS Secretary	Clerk typist III	
Mapping Assistant	Student worker paraprofessional	Vacant
Technical Writer	Management analyst III	Vacant
Program Development Supervisor	Health program supervisor	
Planning & Development Coordinator	Health program representative senior	
Financial Data Analyst	Research analyst intermediate	Vacant
EMSC Secretary	Clerk typist II	Temporary to 9/30/96

† Contracted services being used through May 1996.

The EMS board will be a collective bargaining seniority unit. As such, seniority in classifications will be calculated in relation to that of others on the board staff, not others in the Health Department. Once staff are part of the EMS board, they no longer will have first chance at bidding on a Health vacancy, but could bid on a position as an interagency transfer. If they face a layoff, they can claim vacancies in another department before the layoff, and the other agency must consider their claim. If a member of staff elected to not work for the EMS board and did not transfer to another position before July 1, 1996, the person would, in effect, be resigning.

## Staff needs

Of the 21 positions on the current organization chart, four positions are vacant and two are temporary through Sept. 30, 1996 (Table 2).

The new board's staffing and staff functions, including administrative support, will be determined by the board as it develops its mission and priorities. Interviewees talked about several areas of skill needed to support current EMS functions, some of which are currently provided by department staff other than those in the EMS Section:

**Financial administration.** The board will need to provide financial management for longevity awards and administer federal and state grants, in addition to the fiscal activities all state agencies must perform. These financial administration functions are currently performed for the EMS Section by the Finance and Administration Division. Other fiscal-related activities where support may be needed include development of the biennial budget and allocation and processing of funds.

**Human resources.** The board will need someone to carry out human resource-related services for the board. Basic transactional processing can be done with the board's staff, but additional support may be required. The board may seek assistance from the Department of Employee Relations and the Department of Health's Human Resources Division.

**Management analysis.** The board would require specialized skills to perform functions like rule writing, writing determinations for the administrative law judge, and writing letters to constituents about statutory determinations. A management analyst position that contains these responsibilities is currently unfilled.

**Computer support.** The board would require analysis and programming skills for data bases maintained for ambulance licensing and EMS training programs. A data base for the financial data study needs to be developed. Computer network administration, user support, and computer training are also needed. The EMS programmer - analyst position is currently vacant. However, a programmer has been hired on contract through June 30, 1996, from the InterTechnologies Division of the Department of Administration to develop data bases for the financial data study and longevity awards.

In addition to the above, one supervisory position is funded through a federal Preventive Health Block Grant. Although this position transfers to the EMS board, the availability of funding is not assured beyond Sept. 30, 1996.

---

## Recommendations

17. If the board cannot be appointed until July 1, the board should consider a statutory unclassified position for an interim director to manage EMS and assist the board in starting up from July 1, until a permanent executive director can be hired.
  18. The board should immediately contact the Health Department's Human Resources Office and the staffing division of the Department of Employee Relations to establish its process for hiring a director, and, if it deems appropriate, appoint a search committee.
  19. If the board is appointed prior to July 1, it should undertake its interim authority with emphasis on director hiring, acquaintance with EMS staff and activities (staff would not be under their authority until July 1), and additional transition planning with the Department of Health.
  20. The board should evaluate and determine the role and responsibilities of the medical director.
  21. The Department of Health should develop a recommendation, for the board to consider, for an organizational structure and staff positions. The board should conduct an evaluation of staff functions and positions, after initial goal setting and planning.
  22. The board should explore options for incorporating the specialized skills that will be required and specifically consider an interagency agreement with the Department of Health to cover these functions, at least for the shorter term after board start-up. In the longer term, other arrangements may be explored.
  23. The board should clarify at the earliest time the arrangements for representation by the Attorney General's Office.
  24. The board should investigate creating a position similar to an office services supervisor or business manager to provide administrative support and office management. A temporary position may be developed in the short term, with an evaluation of how to best accomplish these functions in the longer term.
  25. The Department of Health should initiate action to fill any critical vacancies that occur before the staff transfers to the board. The board should be prepared for the possible need to fill vacancies shortly after start-up.
-

## OFFICE SPACE and EQUIPMENT

### Office space

The EMS Section has 22 assigned work stations plus the section manager's office, an office used as a library, and half of a storeroom. The section occupies 13 of the 22 work stations. Health uses a space allocation of 175 square feet per employee. The Department of Administration Real Estate Management Division uses a rule of thumb of 200 square feet per employee. At a complement of 20 staff, EMS would need between 3,500 and 4,000 square feet of space.

**Moving expense.** The Department of Health has estimated moving expenses at between \$65,500 and \$112,000, which also includes additional furniture, cubicles, and equipment (such as a computer server, high-speed photocopier, fax, shredder, plotter-printer, and postage meter). According to an estimate by Health's Finance and Administration Division, it would cost about \$65,500 to move office furnishings and equipment and purchase needed new equipment for a new location outside its current building. If currently used work cubicles are not moved and new ones are purchased, the total cost of moving (including new cubicles and equipment) is estimated at \$112,000. Moving funds may come from the board's operating budget. No funds were provided by the legislature for moving expenses.

**Options for office space.** During its study, Management Analysis did not investigate office space options. However, these options were suggested in interviews. They are summarized below, but this review does not constitute a recommendation of any option or of these options; further work is required.

- **Co-location with the Department of Health or nearby space.** One option is for the board to stay at Health or in the same building. By staying at Health, the board can organize, hire an executive director, and begin operations without the added burden of moving during this transition. This would give the board and the staff time to work together and to determine the type of location that would most meet their needs. This would not only eliminate the issues involved in moving while the board is getting organized, but would also allow the board to collaborate with other divisions in Health for administrative services and some equipment. The board would need to have an interagency agreement with Health for payment of space and services provided in administrative, financial, and human resources. The EMS manager and staff told Management Analysis that they prefer to stay at Health until the board is organized and can decide where it wants to have office space.
  - **Location with health-related licensing boards.** Thirteen health-related licensing boards (HLBs) are located in the Colonial Office Building at 2700 University Ave. W., St. Paul. In May, the health-related licensing boards intend to renew the leases at this location for five years, according to a staff person from one of the boards. The boards currently use about two-thirds of the building. Of the remaining third, about 4,000 square feet are vacant and the
-

---

remaining space is leased by nonprofit agencies, some of which have short-term leases. The building has large and medium-sized conference rooms that can be used for board meetings. The large conference room has adequate space for the public to attend board meetings. Some boards also have their own conference rooms. The boards share copiers and have a common lunchroom. There is a parking lot behind the building. The boards have formed a volunteer, cooperative administrative services unit to perform common functions like payroll, procurement, and computer support for all boards in the building.

- **Location other than with the Department of Health or health-related licensing boards.** Other available office spaces were mentioned by various interviewees. The Department of Administration's Real Estate Management Division can assist the board to find suitable office space, whether with Health, with the health-related boards, or at another location.

**EMS specialist (field staff) offices.** The EMS field staff work out of Health's regional offices. According to these EMS specialists, about 20 percent of their time is spent in the office, the rest in the field. The EMS manager and the field staff recommend that they work from their homes. Currently EMS expense at regional offices is figured into the EMS Section's indirect costs at Health except for special services like clerical support. Field staff already have laptop computers, printers, and licensed computer programs. There will be initial costs for telephone lines and some equipment, but it is estimated by the section staff that the move to home offices would be less costly overall. Office support systems related to communications, office equipment, and use of state cars need to be established if field staff are to work from their homes.

## Recommendations

26. Until the board is able to make a decision concerning office location, the staff should remain co-located with the Department of Health (in the same building and within range of services). Health should prepare draft interagency agreements for board approval that would allow this to take place. The agreements should cover all subjects (lease, services) so that staff can continue work uninterrupted. The board should be able to move out, under the terms of the interagency agreement, or continue to rent space and services, in some reasonable increment of time until more permanent arrangements are determined.
  27. Health should develop an interagency agreement for board approval so that the EMS specialists may continue to use Health's regional offices, unless before July 1 EMS specialists are moved to another location, such as home offices. After July 1, the board can decide to continue the interagency agreement for space and services in district offices, use home offices, or employ another option.
-

28. The board should contact the Real Estate Management Division of the Department of Administration for assistance in procuring office space.

## **Office equipment and furnishings**

**Computer equipment.** EMS staff developed an asset list that contains all computer equipment that would transfer with the EMS Section. EMS funds purchased the computers and contributed to the cost of a local area network server at Health. EMS has licenses for its software programs. If the section moves, it will need its own network server and network software. It needs the capacity to connect with the state accounting system and with field staff computers.

**Furnishings and other equipment.** A move to a new location would require provision of employee work stations, a telephone system, office equipment including copier and fax, voice mail, central files, storage for supplies, space for financial data collection files, and storage for other records and archives. EMS funds purchased the existing office cubicles and components.

**EMS specialist equipment.** EMS specialists have laptop computers, printers, and licensed software. EMS funds purchased the desktop computers that the specialists use in the regional offices. According to the specialists, for home offices they will need a fax, a modem for a desktop computer, an answering machine or voice mail, telephone and fax lines, an 800 number for computer access to the central office server, and a local post office box for mail. They will also need file cabinets and office furnishings.

EMS specialists lease state cars from the state motor pool and would like them reassigned to their home locations. The cars are equipped with two-way radios, scanners, and cell phones.

## **Recommendation**

29. Because the costs related to a move from the current location have not been budgeted, the Department of Health should help to identify EMS funds that could be used for the costs of equipment, furnishings, and other items that would be required for start-up operation at a new location.
-

---

## CONTINUITY OF SERVICES

### EMS activities

Continuity of emergency medical services during the transition of the EMS Section from the Department of Health to the independent regulatory board needs to be assured. The EMS staff and section manager have made recommendations for interim processing of ambulance licensure activities and of EMS personnel certification and training program approval activities. Processing will continue as usual until July 1, 1996, when these activities will become a function of the board. According to staff, the plan is that, if a document is received that indicates the processing time will go beyond July 1, 1996, the information will be processed as if it would be approved by the board instead of the department.

The transition for contested case hearings similarly is problematic. Three potential solutions were discussed in conjunction with this study:

- A statutory change whereby the commissioner of health would make the final decision and order in all contested case hearings initiated before July 1, 1996. The language for this change was in draft form at the time this report was prepared.
- A statutory change whereby (a) the administrative law judge would make the final decision and order if the application had been submitted prior to July 1 and a recommendation as to its disposition had not yet been made to the commissioner of health; and (b) if an administrative law judge recommendation has been made but the commissioner of health has not acted on it by July 1, then the administrative law judge's recommendation becomes the final decision and order effective July 1, 1996.
- An administrative solution not requiring statutory change whereby the department would hold applications beginning at some point in time prior to July 1 and pass them to the board for action on July 1. This option, because of the long lead time (estimated at five months by staff), would result in a period of pendency that is probably too long to be practical for public business of this type.

### Recommendations

30. The Health Department and EMS Section staff should be responsible for ensuring continuity of emergency medical services during the transition, following the recommendations made by the staff and section manager.
  31. The Health Department should develop background information, lists, checklists, and other information to assist the board in the areas of the operating budget, grants, rules, office
-



space, equipment, and other matters to ensure that EMS activities are maintained through the transition. This information would go beyond what can be put together for this report and may include interagency agreements.

32. A statutory change to resolve the transition period issues for licensing applications that are pending on July 1, 1996, such as one of those suggested in this report, should be immediately implemented. A nonstatutory (administrative) solution probably could be made workable but is considerably less desirable.

## **Administrative and other state services**

To provide for the possibility that the EMS board may remain at Health for a time, the EMS manager is working with the department's Finance and Administration Division to develop an interagency agreement for services from Health that will include financial administration, procurement, and human resources services as well as office space, computer network, e-mail, supplies, and use of other equipment.

New department financial and personnel codes will be established by the Department of Employee Relations and the Department of Finance for all department transactions, including fiscal, personnel, payroll, and procurement. At transfer, Health will remove the appropriate EMS codes and the board will have its set of new codes.

EMS records and archives are the responsibility of the EMS Section. Most of the records are stored in EMS offices, the remainder at the State Records Center in Maplewood. The EMS Section records are covered by Records Retention Schedule 81-192, Items 6-8 (10/8/80) and Schedule 92-43, Items 1A-3 (9/23/91). These retention schedules will transfer when EMS becomes an independent board.

## **Recommendations**

33. Health should draft interagency agreements that provide for administrative and other services and space that would be provided to the EMS board, including the costs.
  34. The board should work with state departments including Finance and Employee Relations to establish appropriate accounting and other state transaction accounts, with advice and assistance from the Department of Health.
-

## **BOARD ACTIONS FOLLOWING START-UP**

The board's early efforts starting July 1, 1996, will be to ensure continuation of critical EMS activities and perhaps to establish new systems and relationships with the EMS community. Management Analysis recommends that the board take the opportunity early in its existence to undertake planning and role and responsibility definition or clarification. Several areas exist where early attention by the new board can greatly assist EMS organization and operation. Following is a brief outline of suggested activities for the board.

**Planning.** One of the most helpful things the board can do is initial planning. This should include the following tasks:

- Clearly articulate the board's purpose and goals, with a meaningful mission statement and statement of vision for itself and emergency medical services in Minnesota.
- Develop long-range plans.
- Develop shorter-term initial goals and objectives and a work plan.

**Structure and systems.** Initial work is needed on the structure of the board and how it wants to operate.

- Establish board leadership and appropriate committee structure.
- Create a board meeting schedule, agendas, and communications plan.
- Prepare an organization chart that shows the relationships among the board, its committees, executive director, staff, and any others in the structure and related to it.
- Ensure working administrative, financial, and personnel systems.

**Roles and responsibilities.** Roles and responsibilities for all aspects of the board's work should be articulated, put in writing, and communicated. These include:

- responsibilities and authority, including limits of authority, of board members and board committees;
  - responsibilities and authority, including relationship issues and limits of authority, of the executive director with respect to the board and the staff;
  - responsibilities of staff, collectively and individually, and relationship to the executive director and the board (including individual board members);
-

- responsibilities of the medical director and the relationship of this position to the board, director and staff; and
- responsibilities of the EMS regions in relation to the board.

**Orientation of board members.** Some members of the new board will not be familiar with state systems. Although on an ongoing basis it would be the responsibility of the executive director and staff to orient the board to its functions and requirements of state systems, the initial board will not have a director in place to provide the information and orientation. Whether from staff, or staff with the assistance of people in the Department of Health, the board needs orientation to:

- all statutes related to EMS and legal requirements that govern actions of state agencies including the Data Practices Act, open meetings law, Ethical Practices Board Act, and others.
- all activities performed by the staff for ambulance licensing, EMT certification, EMT training programs, and EMS region activities.
- state financial, personnel, and administrative systems.

## **Recommendation**

35. The board should ensure continuation of critical EMS activities by undertaking several essential start-up activities, including planning; structure, systems, and process design; roles and responsibilities assignment; and orientation of board members.
-

## **LINKAGE with STATE AGENCIES**

The ongoing relationship of the board with state agencies that are also responsible for EMS-related functions will be critical to board success. This was acknowledged widely among those who were interviewed by Management Analysis. Chief among the expressed concerns was that the EMS board have regular communications and information exchanges with the Department of Health in order to provide for consideration of public health in board policies and activities. As health care systems evolve, the EMS role must be part of policy development. Various health policy bodies have been suggested as areas for linkage or collaboration, including:

- the Department of Health, various divisions including Community Health Services,
- the Minnesota Health Care Commission,
- the Rural Health Advisory Council, and
- the Health Data Institute.

This list is not inclusive; further ongoing relationships are being discussed among the Department of Health, the advisory councils, and others. EMS is currently represented on the Health Department's Preventive Block Grant Advisory Council. EMS works frequently with Community Health Services, Injury Prevention, and Maternal and Child Health programs at Health. The board and department need to develop common understandings on the continued exchanges they need and how they need to collaborate. Although some discussion has already occurred concerning linkages, the specific activities should be addressed early in the board's work.

The Department of Public Safety also needs good communications with the board. The commissioner's membership on the board would be beneficial. An informal network of police, fire, EMS and Public Safety personnel meet regularly to discuss items of common concern to the EMS community. The Department of Administration also has important linkages with EMS through the 911 emergency communications system.

## **Recommendation**

36. The board should establish and maintain regular communications and information exchange with the Department of Health, in particular, and also maintain contacts with the Department of Public Safety and the Department of Administration.
-

## ENDNOTES

1. "The commissioner of administration through the management analysis division, in consultation with the commissioners of health and public safety, the emergency medical services regions, the Minnesota Ambulance Association, the Minnesota Hospital Association, third party payors, the Minnesota Association of Emergency Medical Services Physicians, and the Minnesota Fire Chiefs Association shall develop a transition plan to transfer the appropriate emergency medical services-related authority from the commissioner of health to the board, created pursuant to sections 35, 56, and 59. The transition plan shall include any necessary legislative language to transfer authority and corresponding funding to the board. The transition plan must be presented to the legislature by February 15, 1996" (Laws 1995, Chapter 207, Article 9, Section 55).
  2. Laws 1995, Chapter 207, Article 9, Sections 1 to 3, 7 to 18, 23 to 28, 35, 55, 56, 58, 59, 61, and 62.
  3. Laws 1995, Chapter 207, Article 9, Sections 1 to 3, 7 to 18, 23 to 28, 35, 55, 56, 58, and 59.
  4. Section 56.
  5. Section 35, Subd. 1, provides that the governor shall consider recommendations of the American College of Emergency Physicians, the Minnesota Hospital Association, the Minnesota and State Fire Chiefs Association, the Minnesota Ambulance Association, the Minnesota Emergency Medical Services Association, the Minnesota State Sheriffs Association, the Association of Minnesota Counties, the Minnesota Nurses Association, and the Minnesota chapter of the Academy of Pediatrics.
  6. Section 35, Subd. 5, provides: "The board shall appoint an executive director who shall serve in the unclassified service and may appoint other staff."
  7. Section 35, Subd. 6.
  8. Section 35, Subd. 7.
  9. Section 58. M.S. §15.039 governs the effect of transfers of powers among agencies. The provisions of the section apply "unless the act directing the transfer provides otherwise." Among the provisions are that (Subd. 6) an "unexpended balance of any appropriation to an agency for the purposes of any responsibilities that are transferred to another agency are reappropriated under the same conditions as the original appropriation to the new agency effective on the date of the transfer of responsibilities," and (Subd. 7) "all unclassified and classified positions associated with the responsibilities being transferred are transferred with their incumbents to the new agency."
  10. Section 10.
  11. Section 56.
  12. Section 61.
  13. Section 49.
  14. Health-related licensing boards (Section 214.01, Subd. 2) include boards for nursing home administrators, medical practice, nursing, chiropractic examiners, optometry, psychology, social work, marriage and family therapy, mental health practice, chemical dependency counseling, dietetics and nutrition practice, dentistry,
-

pharmacy, podiatric medicine, and veterinary medicine.

15. M.S. §16A.1285, Subd. 2, provides that: “(1) agencies, when setting, adjusting, or authorizing any charge for goods or services that are of direct, immediate, and primary benefit to an individual, business, or other nonstate entity, shall set the charges at a level that neither significantly over recovers nor under recovers costs, including overhead costs, involved in providing the services; or (2) that agencies, when setting, adjusting, or establishing regulatory, licensure, or other charges that are levied, in whole or in part, in the public interest shall recover, but are not limited to, the costs involved in performance and administration of the functions involved.”

16. Longevity awards are payments from a dedicated fund for career service by ambulance service volunteers. The longevity awards account received \$1 million in both Fiscal Years 1995 and 1996 and will receive another \$1 million in Fiscal Year 1997.

---

