

Explanation of Funding Calculation Spreadsheet

The funding calculation spreadsheet is based on the formula put into statute by HB 1268. This formula takes into consideration factors such as average run volume, budget information, cost per ambulance run and local revenue potential.

Column 1: **EMS Agency License Number**

Column 2: **EMS Agency Name**

Column 3: **Base** – This amount represents the fixed costs necessary to operate an EMS agency.

Column 4: **Average number of EMS runs** for the EMS agency for the two most recent years.

Column 5: **Statewide average cost for an EMS run** based upon data submitted by participating EMS agencies and after correcting for fixed costs .

Column 6: **Annual Cost** – The product of the average number of EMS runs multiplied by the average cost for an EMS run.

Column 7: **Budget** – The sum of the Annual Cost plus the Base (fixed costs).

Column 8: **Statewide average reimbursement for each EMS run** based upon data submitted by participating EMS agencies .

Column 9: **Revenue** - The product of the average number of EMS runs multiplied by the average reimbursement for each EMS run.

Column 10: **Prop Val/Mill** – The property valuation per mill for each EMS agency's response area. This information was provided by: State Tax Commissioner, County Auditor, Ambulance District, or multiple sources.

Column 11: **5 mills** (multiplier).

Column 12: **Local Contribution** – The product of the property valuation multiplied by 5 mills. This amount is intended to be a surrogate for the amount that the community served by the EMS agency is expected to contribute to the EMS agency's operational costs. This contribution can come from sources other than a tax levy.

Column 13: **Deductions** – The sum of the Revenue plus the Local Contribution.

Column 14: **Potential Grant** – The remainder of the Budget minus the Deductions.

Column 15: **Grant Amount** – The Potential Grant corrected for negative grant amounts.

Column 16: **Prorated Amount** – Because the funding amount needed exceeded the funding that was available, the grant award for each EMS agency receiving a grant was roughly 80 percent (79.9817787%) of the Grant Amount (Column 15). This amount was appropriately rounded to eliminate fractions of dollars.

The following is taken from HB 1268:

SECTION 4. AMBULANCE SERVICE OPERATION FUNDING DISTRIBUTION.

Notwithstanding section 23-46-04, during the biennium beginning July 1, 2019, and ending June 30, 2021, the state department of health, in consultation with the emergency medical services advisory council, shall provide state financial assistance annually to each eligible ambulance service operation pursuant to the following formula calculation:

1. The budget for each operation must be determined by adding the amount of \$60,000, or other base amount established by the department, to the product of the operation's average number of runs for the two most recent fiscal years multiplied by the average cost of a run.
2. The operation's grant amount must be determined by deducting the following amounts from the operation's budget calculated under subsection 1 of this section:
 - a. The product of the operation's average number of runs for the two most recent fiscal years multiplied by the average amount of reimbursement for a run; and
 - b. The product of the property tax valuation of the operations service area for the most recent taxable year multiplied by 5 mills.
3. The department shall distribute a prorated share of the operation's calculated grant amount if legislative appropriations for state financial assistance for emergency medical services is not sufficient to provide full grant funding calculated under this section.
4. An operation is not eligible to receive funding under this section if the operation's average number of runs for the two most recent fiscal years is more than 700.

The following numbers are generalized numbers used in all calculation:

Statewide average cost for an EMS run:	\$1264.72
Statewide average reimbursement for each EMS run:	\$ 839.02

The following values are agency specific numbers: average runs, annual cost, budget, revenue, prop val/mill, local contribution, and deductions.

The funding available vs needs (based on the funding formula) for the first year of the 2019 – 2021 biennium is as follows:

Funding Available:	\$3,437,500.00
Funding Needed:	\$4,297,853.85
Available/Needed:	0.799817797