

March 2010

## EMERGENCY MEDICAL SERVICES FUNDING

This memorandum provides information regarding funding generated by property tax levies and provided by legislative appropriations for emergency medical services (EMS). Based on Tax Department information, EMS-related property taxes under North Dakota Century Code (NDCC) Chapter 57-15 generated \$3.2 million of tax collections in 2009. The State Department of Health distributed \$1.1 million of funding from the insurance tax distribution fund appropriated in 2009 Senate Bill No. 2004 to EMS providers in fiscal year 2010. Other sources of funding for EMS include funding from a county or city general fund, countywide sales tax collections, or third-party reimbursements for EMS.

State-administered EMS funding may cover licensed EMS operations--ambulance, air ambulance, or quick response unit services--that provide the transportation of an individual to a hospital emergency room as well as EMS personnel and licensed EMS professionals who provide the related services of prehospital medical stabilization for EMS operations. The State Department of Health is responsible for the issuance of EMS operations licensing. As of February 2010, there are 147 ambulance services and 69 quick response units licensed in the state.

The 2009 Legislative Assembly also appropriated \$500,000 from the insurance tax distribution fund in Senate Bill No. 2004 to the State Department of Health for a training grant. The grant is to be used to contract with an organization to develop, implement, and provide an access critical ambulance service operations assessment process, leadership development training, and a biennial EMS recruitment drive. In addition, the organization would provide regional assistance to ambulance services to develop quality review processes for EMS personnel and develop a mechanism to report to medical directors. The State Department of Health issued its first request for proposal (RFP) in November 2009, resulting in one proposal that was not approved for failing to meet requirements. Subsequently, a second RFP was issued in February 2010.

### PROPERTY TAX LEVIES FOR EMERGENCY MEDICAL SERVICES

North Dakota Century Code Section 23-27-04.7 requires the board of county commissioners of every county to conduct an annual review of the EMS coverage within that county and to submit an annual report to the State Health Officer addressing funding needs. A taxing district that levies a special EMS levy is required to ensure that every ambulance service that has portions of its service area in that taxing district receives a portion of the revenue from this tax. Taxing districts allocate special tax levy revenue to each ambulance service based upon the taxable

value of the property within each township of the taxing district, allocating the taxable value of each township to the ambulance service that serves the largest area within that township.

North Dakota Century Code references relating to property tax rates for EMS operations include:

- County - Section 57-15-06.7(23) provides that a county may levy a tax of up to 10 mills for county EMS. If the county contains a rural ambulance service district or rural fire protection district that levies for and provides EMS, the property within that district is exempt from the county tax levy.
- Township - Section 57-15-20.2(7) provides that a township may levy a tax of up to 10 mills for EMS.
- City - Pursuant to Section 57-15-51, a city may impose a levy of up to 10 mills upon its taxable valuation for the purpose of subsidizing city EMS. Whenever a tax for county EMS is levied, any city levying a tax for EMS may be exempted from the county tax levy.
- Rural ambulance service districts - Pursuant to Section 57-15-26.5, a rural ambulance service district may levy a tax not exceeding 10 mills on the taxable value of property within the district.

A detailed report of each property tax levy collected per county and associated mill rates for EMS is attached as [Appendix A](#). Attached as [Appendix B](#) is a summary report illustrating total amount of property tax collections for EMS per county.

### EMERGENCY MEDICAL SERVICES GRANTS FROM INSURANCE TAX DISTRIBUTION FUND

The 2009 Legislative Assembly, in Senate Bill No. 2004, appropriated \$2.25 million from the insurance tax distribution fund for grants to EMS operations. North Dakota Century Code Chapter 23-40 and the State Department of Health North Dakota Administrative Code (NDAC) Chapter 33-11-08 govern this funding disbursement.

Eligibility requirements for these grants under NDCC Chapter 23-40 include the following:

- Emergency medical services operations must be licensed with the State Department of Health for a period of at least 12 months before the filing of the application.
- Emergency medical services operations must bill for services at a level at least equivalent to Medicare billing levels.
- Applications must be filed before November 1 of each year with the State Department of Health. Applications must include affirmation of

the operations billing levels and document the availability of local matching funds.

- Emergency medical services operations must be in conformance with any additional requirements established by the Health Council.

The Health Council has established the following administrative rules regarding eligibility requirements for these grants under NDAC Chapter 33-11-08:

- Applications for the grant must be made in the manner and timeframe prescribed by the department.
- The ambulance service must be based in North Dakota.
- The ambulance service must be licensed as a basic life support ground ambulance as described in Chapter 33-11-02 or licensed as an advanced life support ground ambulance as described in Chapter 33-11-03 for at least 12 months prior to the filing of the application.
- Criteria for grant approval includes consideration of the transportation distance to hospitals, size of the ambulance service area, the number of ambulance runs, and contributing factors that may affect the number of patient care providers on the ambulance service. Contributing factors considered may include age, population, service's location, size of the service area, and other personal commitments.

North Dakota Century Code Chapter 23-40 requires the State Department of Health to develop a strategic plan for an integrated EMS program in North Dakota which includes a comprehensive statewide EMS system. Based on state needs identified in the strategic plan, the State Health Officer shall make the following determinations: eligibility, level of local matching funds, and distribution amounts. The department uses a sliding percent formula for determining the percentage of an applicant's local

matching fund obligation. The sliding percent formula is based on the department's strategic plan and must include consideration of how the applicant fits into the strategic plan and consideration of the needs of EMS operations in the applicant's neighboring service areas. The State Health Officer may not distribute funds to an applicant unless the applicant has verified the existence of local matching funds at the level determined by the State Health Officer. Chapter 23-40 requires the local matching funds to be at least 10 percent but not more than 90 percent of the proposed distribution amount.

The chapter provides that during the first year of the biennium, the State Health Officer may not distribute more than one-half of the biennial legislative appropriation and during the second year of the biennium, the State Health Officer may distribute the remainder of the biennial legislative appropriation. A recipient of funds under this chapter shall use the funds in a manner consistent with rules adopted by the Health Council. A recipient of funds may not use funds for capital expenses such as emergency vehicles and EMS equipment.

A summary of staffing grants awarded in 2010 is attached as [Appendix C](#). Of the 147 ambulance services licensed with the State Department of Health, the department determined that 107 met the above-mentioned eligibility requirements. Out of the 107 eligible ambulance services, the State Department of Health received 41 applications, 2 of which were denied. One application was denied because the ambulance service had recently changed ownership and did not meet the minimum 12-month licensing requirement. The other was denied because the ambulance service application failed to demonstrate financial need.

ATTACH:3

**EMERGENCY MEDICAL SERVICES  
PROPERTY TAX LEVY BY COUNTY DETAILS  
2009 COLLECTIONS BASED ON 2008 ASSESSMENTS**

**1228 - County - Emergency medical service** - Maximum rate is 10 mills. Levies are in addition to the general fund levy enacted upon a majority of qualified electors of the county voting on the question. A taxing district that levies a special emergency medical services or ambulance service levy shall ensure that every ambulance service that has portions of its service area in that taxing district receives a portion of the revenue from this tax.

Source: North Dakota Century Code Sections 57-15-50, 57-15-06.7(23), and 23-27-04.7.

Levy No.	County Name	District Name	Mills	Property Tax Collections
1228	Traill	County	10.00	\$298,635
	Sargent	Emergency medical	8.90	147,880
	Rolette	Ambulance	7.72	81,356
	Oliver	County	6.04	50,642
	Grand Forks	County	6.00	1,120,286
	Benson	County	5.00	77,772
	Golden Valley	County	5.00	30,701
	Kidder	County	5.00	58,527
	Logan	County	5.00	39,665
	Pembina	County	5.00	169,480
	Towner	Ambulance north	5.00	24,495
	Towner	Ambulance south	5.00	38,760
	Sioux	County	4.28	9,991
	Eddy	County	4.00	27,962
	Dickey	County	3.50	77,265
	LaMoure	County	3.29	65,872
	Cavalier	County	3.00	82,848
	McIntosh	County	3.00	32,354
	Emmons	County	2.00	29,372
	Grant	County	2.00	18,527
	Pierce	County	2.00	29,474
	Ransom	County	1.90	37,962
	Griggs	County	1.00	10,025
Barnes	Ambulance	0.97	45,671	
Foster	County	0.17	2,385	
Total				\$2,607,907

**1522 - Civil township - Emergency medical service** - Maximum rate is 10 mills. Levies are in addition to the general fund levy enacted upon 60 percent majority vote of qualified electors. A taxing district that levies a special emergency medical services or ambulance service levy shall ensure that every ambulance service that has portions of its service area in that taxing district receives a portion of the revenue from this tax.

Source: North Dakota Century Code Sections 57-15-51.1 and 57-15-20.2(7).

Levy No.	County Name	District Name	Mills	Property Tax Collections
1522	Burke	Cleary	1.47	\$250
Total				\$250

**1629 - City - Emergency medical service** - Maximum rate is 10 mills. Levies are in addition to the general fund levy enacted upon a majority of qualified electors of the county voting on the question. A taxing district that levies a special emergency medical services or ambulance service levy shall ensure that every ambulance service that has portions of its service area in that taxing district receives a portion of the revenue from this tax.

Source: North Dakota Century Code Section 57-15-51.

Levy No.	County Name	District Name	Mills	Property Tax Collections
1629	Stark	Richardton	10.00	\$8,104
	Mountrail	Stanley	4.27	7,992
	McIntosh	Ashley	2.13	1,808
	Hettinger	New England	1.30	599
	McIntosh	Wishek	1.16	1,161
Total				\$19,664

**1801 - Rural ambulance service district - Emergency medical service** - Maximum rate is 10 mills. Requires majority vote to form or dissolve ambulance district or to increase mills (Attorney General Letter Opinion 2002-L-43). Local area levying for ambulance service is exempt from county levy.

Source: North Dakota Century Code Sections 11-28.3-03, 11-28.3-04, 11-28.3-09, and 57-15-26.5.

Levy No.	County Name	District Name	Mills	Property Tax Collections
1801	Richland	Lidgerwood	10.00	\$35,220
	Sargent	Rural ambulance	10.00	13,598
	Burleigh	Rural ambulance - Wilton	8.87	36,618
	McLean	Wilton	8.87	15,120
	Wells	Ambulance	6.05	34,664
	Burke	Ambulance	5.00	20,682
	McLean	Turtle Lake	5.00	29,551
	Richland	Hankinson	5.00	55,861
	Sheridan	McClusky	5.00	16,129
	McLean	Underwood	4.75	22,594
	McLean	Washburn	4.43	28,894
	Dunn	Killdeer	4.00	32,724
	Richland	Barney	3.91	8,348
	Richland	Wyndmere	3.91	17,375
	Divide	Grenora	3.86	7,110
	Williams	Grenora	3.86	14,557
	Nelson	Ambulance	3.44	17,851
	McLean	Garrison	3.00	33,900
	Renville	Ambulance	3.00	14,147
	Divide	Ray	2.92	997
	Williams	Ray	2.92	17,564
	McLean	Parshall	2.74	2,035
	Mountrail	Parshall	2.74	7,970
	Divide	Divide County ambulance district	2.60	21,921
	Bottineau	Bottineau	2.00	38,490
	Bottineau	Lansford	2.00	10,797
	Bottineau	Westhope	2.00	15,190
Bottineau	Willow City	2.00	3,828	
McKenzie	Ambulance	1.82	344	
Mountrail	New Town	1.82	7,753	
Total				\$581,832

**1808 - Rural ambulance service district - Old-age and survivors' insurance, federal Social Security, and employee retirement** - Maximum rate is 30 mills. Levies are in addition to the general fund levy.

Source: North Dakota Century Code Sections 52-09-07(3) and 57-15-28.1(5).

Levy No.	County Name	District Name	Mills	Property Tax Collections
1808	Divide	Divide County ambulance district	0.29	\$2,445
Total				\$2,445
Grand total				\$3,212,098

**SUMMARY OF EMERGENCY MEDICAL SERVICES  
PROPERTY TAX LEVY BY COUNTY  
2009 COLLECTIONS BASED ON 2008 ASSESSMENTS**

County Name	Levy No. 1228	Levy No. 1522	Levy No. 1629	Levy No. 1801	Levy No. 1808	Total
	County	Civil Township	City	Rural Ambulance Service District - Emergency Medical Services	Rural Ambulance Service District - Old-Age and Survivors' Insurance, Federal Social Security, and Employee Retirement	
Barnes	\$45,671					\$45,671
Benson	77,772					77,772
Bottineau				\$68,306		68,306
Burke		\$250		20,682		20,932
Burleigh				36,618		36,618
Cavalier	82,848					82,848
Dickey	77,265					77,265
Divide				30,028	\$2,445	32,473
Dunn				32,724		32,724
Eddy	27,962					27,962
Emmons	29,372					29,372
Foster	2,385					2,385
Golden Valley	30,701					30,701
Grand Forks	1,120,286					1,120,286
Grant	18,527					18,527
Griggs	10,025					10,025
Hettinger			\$599			599
Kidder	58,527					58,527
LaMoure	65,872					65,872
Logan	39,665					39,665
McIntosh	32,354		2,970			35,324
McKenzie				344		344
McLean				132,094		132,094
Mountrail			7,992	15,723		23,715
Nelson				17,851		17,851
Oliver	50,642					50,642
Pembina	169,480					169,480
Pierce	29,474					29,474
Ransom	37,962					37,962
Renville				14,147		14,147
Richland				116,804		116,804
Rolette	81,356					81,356
Sargent	147,880			13,598		161,478
Sheridan				16,129		16,129
Sioux	9,991					9,991
Stark			8,104			8,104
Towner	63,255					63,255
Traill	298,635					298,635
Wells				34,664		34,664
Williams				32,121		32,121
<b>Total</b>	<b>\$2,607,907</b>	<b>\$250</b>	<b>\$19,665</b>	<b>\$581,833</b>	<b>\$2,445</b>	<b>\$3,212,100</b>

**EMERGENCY MEDICAL SERVICES INSURANCE TAX DISTRIBUTION PER  
2009 SENATE BILL NO. 2004  
FISCAL YEAR 2010**

<b>Ambulance Service</b>	<b>Grant Award</b>	<b>Contractor Share</b>	<b>Contractor Percentage</b>	<b>Total Costs</b>
Billings County Ambulance Service	\$45,000	\$30,000	40%	\$75,000
Bottineau Ambulance Service	21,000	31,500	60%	52,500
Bowman Ambulance Service	45,000	11,250	20%	56,250
Casselton Volunteer Ambulance Service	35,000	35,000	50%	70,000
Community Volunteer EMS of LaMoure	7,300	10,950	60%	18,250
Divide County Ambulance District	45,000	5,000	10%	50,000
Emmons County ALS Ambulance	20,000	8,571	30%	28,571
Flasher Ambulance Service	13,000	1,444	10%	14,444
Gackle Ambulance Service	45,000	5,000	10%	50,000
Grenora Ambulance Service	45,000	5,000	10%	50,000
Hillsboro Ambulance Service	9,800	39,200	80%	49,000
Kidder County Ambulance	35,000	8,750	20%	43,750
Killdeer Area Ambulance	27,000	3,000	10%	30,000
Kindred Area Ambulance Service	33,000	22,000	40%	55,000
Lidgerwood Ambulance Service	20,000	20,000	50%	40,000
Maddock Ambulance Service	45,000	11,250	20%	56,250
McKenzie County Ambulance Service	45,000	5,000	10%	50,000
McVille Community Ambulance Service	26,646	39,969	60%	66,615
Medina Ambulance Service	45,000	5,000	10%	50,000
Mohall Ambulance Service	29,000	29,000	50%	58,000
Napoleon Ambulance Service	25,000	6,250	20%	31,250
New England Ambulance	33,280	8,320	20%	41,600
Northwood Deaconess Health Center	19,000	28,500	60%	47,500
Page Ambulance Service	11,000	11,000	50%	22,000
Parshall Ambulance Service	15,800	23,700	60%	39,500
Pembina Ambulance Service	45,000	19,286	30%	64,286
Richardton-Taylor Ambulance, Inc.	24,500	10,500	30%	35,000
Rock Lake Ambulance Service	9,000	6,000	40%	15,000
Rolette Community Ambulance Service	34,923	52,385	60%	87,308
Sargent County Ambulance - Forman	43,000	43,000	50%	86,000
Sargent County Ambulance - Milnor	2,080	8,320	80%	10,400
Towner County Ambulance	21,330	9,141	30%	30,471
Turtle Lake Ambulance Service	27,000	11,571	30%	38,571
Velva Ambulance Service	35,000	35,000	50%	70,000
Walhalla Ambulance Service	9,600	14,400	60%	24,000
Westhope Ambulance	44,000	11,000	20%	55,000
Wilton Rural Ambulance District	32,000	32,000	50%	64,000
Wing Rural Ambulance	22,000	2,444	10%	24,444
Wishek Ambulance	14,000	9,333	40%	23,333
<b>Total 2010 distributions</b>	<b>\$1,104,259</b>	<b>\$669,034</b>		<b>\$1,773,293</b>