

## Fact Sheet of LB&FC Performance Audit of the Emergency Medical Services Operating Fund

The Emergency Medical Services Operating Fund (EMSOF) is the primary source of state funding for the state's emergency medical services (EMS) system. EMSOF revenues are derived from an additional \$10 fine on traffic violations and a \$25 fee on admissions to rehab programs for persons convicted of DUI (alcohol or drugs). The Fund is administered by the Department of Health (DOH), 16 regional EMS councils, and a State Advisory Council. HR 186 directed the LB&FC to conduct a performance audit of the state and regional administration of the EMSOF, including a complete accounting of how EMSOF monies are allocated and spent.

### Summary of Findings (See pp. S-1 to S-24)

- 1. EMS System Funding and Development.** Pennsylvania's EMS system has experienced significant development and expansion since the passage of the statewide EMS Act (Act 1985-45, as amended) and its special EMS funding mechanism in 1985. Since that time, state and federal funding for EMS has totaled about \$112 million. About 87 percent of this amount, or \$96.8 million, has come from EMSOF monies.
- 2. EMSOF Revenues.** Although originally viewed as a supplement to state General Fund and federal funding, the EMSOF has become the primary source of state funding for the statewide EMS program. It appears that the EMS system is realizing about as much revenue as can be expected (\$10.5 million annually) from the EMSOF revenue sources at their current rates.
- 3. Expenditure of the FY 1996-97 EMSOF Appropriation.** The DOH's EMS Office allocates the EMS portion of the annual EMSOF appropriation to the State Advisory Council, the 16 regional EMS councils, and for special projects. A total of \$8.3 million was spent from the EMSOF in FY96-97, as follows: \$6.7 million, or 81%, by the 16 regional councils; \$1.2 million, or 15%, for equipment purchases by local EMS providers, and about \$350,000, or 4%, for the State Advisory Council. The state EMS Office does not receive any EMSOF funding.
- 4. State Administration of EMSOF.** As the state's lead EMS agency, the DOH is responsible for overall administration of the EMSOF and the statewide EMS system. The audit found that while the state EMS Office has made noteworthy contributions to system development, the following administrative and operational problems need to be addressed: (a) the Department's EMS office is not organized, staffed, or funded to function in the lead agency capacity mandated by Act 45; (b) the formula used by the state EMS Office to allocate available funding is based on a region's population and square mileage and does not take into account the applicant's financial need or other required funding factors; (c) DOH spending priorities overly restrict regional and local EMSOF spending decisions; (d) statewide EMS planning is inadequate and the current plan needs to be updated; (e) the DOH has not developed guidelines for regional needs assessments or implemented a statewide EMS quality assurance program.
- 5. Regional Administration of EMSOF.** The regional EMS councils are meeting their contractual obligations with the state and play an important role in development and expansion of the statewide EMS system. A number of issues present at the state level (e.g., allocation of funds, needs assessment, planning, quality assurance) also require attention at the regional level. Collectively, the regional councils consume a large portion of available EMSOF funding. The report includes detailed expenditure information for each of the 16 councils.
- 6. Expenditure of EMSOF Funding at the Local Level.** In FY 1996-97, the regional EMS councils disbursed \$1.2 million from the EMSOF appropriation to 491 local EMS providers (primarily ambulance services). This represents about 42 percent of the total number of licensed ambulance services in the state; the average grant was \$2,522 per provider. The report includes detailed information on EMSOF recipients and purchases.
- 7. The Role of the State Advisory Council.** The PA Emergency Health Services Council (PEHSC) plays an important role in the state EMS system but its working relationship with the state EMS Office is not clearly defined. Although clearly designated in law as the state's EMS advisory body, the Council, at times, appears to be functioning as a "co-lead agency" with the state EMS Office.
- 8. EMSOF Financial Condition.** There is a wide gap between funding available from the EMSOF and the estimated amount needed to fully implement the statewide EMS system. Without revenue enhancements, the EMSOF will not be able to support the EMS system beyond current maintenance levels.

### Summary of Recommendations (See pp. S-26 to S-34)

- 1. The Department of Health should** (a) strengthen the "lead agency" role and operation of the state EMS Office; (b) place a high priority on filling the position of Commonwealth EMS Medical Director; (c) convene a statewide "EMS Planning Conference" to develop vision and mission statements for the statewide EMS system and prepare an updated "*State EMS Plan*"; (d) clarify the respective roles of the regional EMS councils and the State Advisory Council; (e) request that the federal NHTSA conduct a reassessment of PA's EMS system; (f) initiate a statewide EMS quality assurance program; (g) with assistance from the State Advisory Council, identify recommended changes to Act 1985-45; (h) enhance EMS automated technology resources; (i) improve EMS data collection systems and contract management functions; (j) comprehensively update and revise EMS program regulations; and (k) address other administrative/operational matters.
- 2. The General Assembly should consider** (a) amending the State EMS Act to change the way in which EMSOF monies are allocated to better account for "financial need of the applicant (the report suggests that such a system might include the use of both regional EMS "basic operations grants" and needs based EMS "systems development grants"); (b) increasing funding for the EMSOF and the statewide EMS system (related to the above) through a range of alternative funding options listed in the report; (c) authorizing the state EMS Office to receive a designated portion of annual EMSOF monies; and (d) other amendments to the State EMS Act which may be necessary to address issues related to EMSOF administration and operations which are identified in the report. The report recommends that the DOH submit proposals and other related information to the House Health and Human Services Committee and the Senate Public Health and Welfare Committee by specified dates.

