

# Ohio Medical Transportation Board

**House Human Services Subcommittee**

*Sara D. Anderson, Budget Analyst  
Legislative Service Commission*

*February 24, 2005*

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# LSC Redbook for the Ohio Medical Transportation Board

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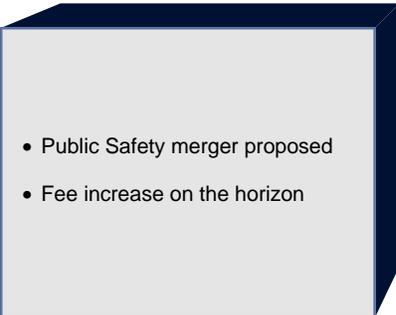
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*February 24, 2005*

# Ohio Medical Transportation Board

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- Public Safety merger proposed
  - Fee increase on the horizon

## OVERVIEW

### Duties and Responsibilities

The Ohio Medical Transportation Board acts as the regulatory authority for all private, hospital-based, commercial ambulances, wheelchair vans (ambulettes), mobile intensive care units, medical helicopters, and fixed-wing medical aircraft operating within the state. The Board is responsible for establishing minimum operating standards, requires annual licensing of all regulated organizations, requires an annual vehicle permit for each vehicle, and conducts physical inspections of locations and vehicles.

The Board has ten members (nine voting members and one nonvoting member) all of whom are appointed by the Governor, with the advice and consent of the Senate. Member are not compensated, but are reimbursed for expenses incurred in the performance of their duties. Its staff includes three full-time employees and 24 contract field inspectors.

### Financing

The Board currently sustains its operations through the following revenue streams:

- \$100 annual service fee for each licensed service;
- \$100 annual permit fee for each vehicle;
- \$100 permit fee for each vehicle used on a temporary basis or added to the fleet during the licensure period;
- Annual permit fee for air ambulances not to exceed \$100;
- Annual license of organization that operates ambulettes, rotorcraft air ambulances, or fixed wing air ambulances not to exceed \$100;
- Annual permit for each ambulette, rotorcraft air ambulance, or fixed wing air ambulance not to exceed \$100 annually;
- \$25 annual permit for each ambulette until March 9, 2005; not-to-exceed \$35 annually thereafter;
- 2% of the seat belt fine moneys forwarded pursuant to division (E) of section 4513.263 of the Revised Code; and
- Civil penalty moneys collected pursuant to section 4766.08 of the Revised Code.

All of these moneys are deposited in the state treasury to the credit of the Ohio Medical Transportation Trust Fund and may only be used for the salaries and expenses of the Board incurred in implementing and enforcing Chapter 4776. of the Revised Code.

Under current law, the Board, subject to the approval of the Controlling Board, is permitted to establish permit and license fees in excess of the maximum amounts allowed, but such fees cannot exceed those maximum amounts by more than 50%. Based on its budget submission, it would appear that the Board is projecting a need to increase certain annual vehicle permit fees by \$25 beginning in FY 2006 in order to cover the increased operating expenses associated with an increase in the number of organizations and vehicles that must be licensed, permitted, and inspected.

### **Technology Initiative**

The Board is in the process of implementing a technological initiative that will allow: (1) medical transportation organizations to apply for initial and renewal licensure on-line and (2) field inspectors to complete on-site inspections, and submit information and complete the licensing process on-line. It is expected that this technology will reduce the amount of paperwork and time that staff currently expend as part of the licensing and inspection process.

### **Recent Notable Legislative Enactment**

From the perspective of the Board, Am. Sub. H. B. 85 of the 125th General Assembly, effective March 9, 2004, with certain sections effective January 1, 2004, most notably:

- Establishes licensing requirements for certain persons who use ambulettes, which are vehicles specifically designed to provide transportation services to persons who require the use of wheelchairs;
- Establishes licensing requirements for persons who provide medical transportation via rotorcraft and fixed wing air ambulances;
- Requires any nonemergency medical service organization to register ambulettes in the same manner as emergency medical service organizations must register ambulances;
- Requires any nonemergency medical service organization or air medical service organization to obtain a permit for each ambulette or air ambulance it owns or leases; and
- Charges the Ohio Ambulance Licensing Board (renamed the Ohio Medical Transportation Board) with the duty of administering and enforcing the ambulette and air ambulance licensing programs and modifies the Board's membership due to the additional duties.

According to the Board, as a result of the bill's enactment, the number of vehicles that it must regulate and license will increase significantly. Prior to the bill's enactment, the Board regulated 130 private ambulance services and approximately 1,000 vehicles operated by those services. Based on the most current information available, the Board anticipates those numbers to increase to an estimated 1,130 organizations and 11,300 vehicles annually.

It is not anticipated that any new permanent staff will be needed to deal with the increase in workload as the Board is prepared to begin beta testing their custom software that allows its contract field inspectors to complete field inspections, submit information electronically, and complete the licensing process with a minimum of paper documents. Although the Board does not anticipate needing any new permanent staff,

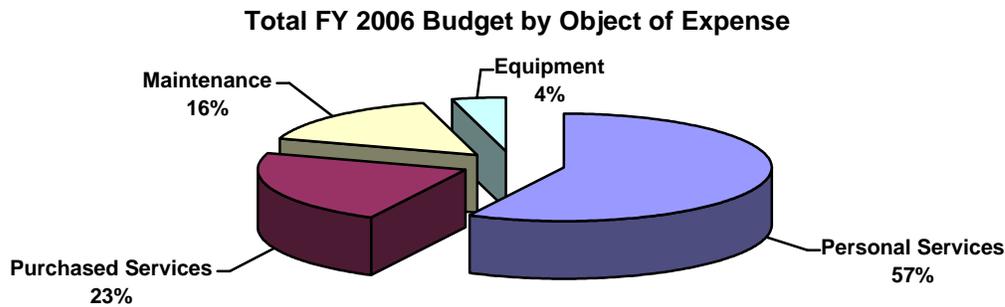
it may need to contract with additional field inspectors, depending on the actual number of new inspections and investigations that are a result of the bill.

**Executive Recommendation and Consolidation of Regulatory Boards**

The Board's request for FY 2006 is fully funded, however, no FY 2007 funding is recommended. This reflects the Governor's intention to merge the Board with the Department of Public Safety. The executive budget contains a temporary law provision that: (1) expresses the intent to consolidate the Board within the Department not later than July 1, 2006, (2) creates a transition team to develop a plan to ensure the smooth and timely transition of the Board into the Department, and (3) expresses the intent to introduce a bill in FY 2006 that will include the necessary statutory changes to effect the consolidation and include revised appropriations for FY 2007 (Section 315.03 of the bill).

**Object of Expense Summary**

The pie chart immediately below shows the total recommended appropriations (FY 2006) by major object of expense. As the Executive proposes a transition team to plan for the merger of the Board with the Department of Public Safety effective July 1, 2006, no FY 2007 appropriations have been recommended for the Board's operations.



**Staffing Levels**

The table below displays the number of staff employed, or that will be employed, by the Board from FYs 2002 through 2007. The Board also currently contracts with 24 independent, on-call inspectors who work only when assigned to by the Board.

<b>Ohio Medical Transportation Staffing Levels by Fiscal Year</b>						
<b>Position</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006*</b>	<b>2007**</b>
Board Members	6	6	6	10	10	10
Administrative Staff	2	2	2	2	2	2
Executive Director	1	1	1	1	1	1
<b>Totals</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>13</b>	<b>13</b>	<b>13</b>

\*The staffing levels displayed in the above table for FY 2006 are estimates.

\*\*As the Executive proposes merging the Board with the Department of Public Safety not later than July 1, 2006, it has recommended no FY 2007 appropriations. This table assumes that the Board's FY 2007 staffing levels will look more or less like those projected for FY 2006.

## ANALYSIS OF EXECUTIVE PROPOSAL

### Program Series 1

### License/Registration/Enforcement

**Purpose:** To regulate the medical transportation profession

The following table shows the line item that is used to fund the Ohio Medical Transportation Board's licensing, registration, and enforcement activities, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2006	FY 2007
<b>General Services Fund</b>				
4N1	915-601	Operating Expenses	\$388,450	\$0
<b>General Services Fund Subtotal</b>			<b>\$388,450</b>	<b>\$0</b>
<b>Total Funding: License/Registration/Enforcement</b>			<b>\$388,450</b>	<b>\$0</b>

This analysis focuses on the Board's services and activities that can be grouped as follows:

#### License/Registration/Enforcement

**Program Description:** The Ohio Medical Transportation Board acts as the regulatory authority for all private, hospital-based, commercial ambulances, wheelchair vans (ambulettes), mobile intensive care units, medical helicopters, and fixed-wing medical aircraft operating within the state. The Board is responsible for establishing minimum operating standards, requires annual licensing of all regulated organizations, requires an annual vehicle permit for each vehicle, and conducts physical inspections of locations and vehicles.

**Funding Source:** (1) 2% of seat belt fine moneys, (2) annual licenses and permits for regulated medical transportation organizations and related vehicles, and (3) civil penalties

**Line Items:** See above table

**Implication of Executive Recommendation:** The Board's request for FY 2006 is fully funded, however, no FY 2007 funding is recommended. The Board anticipates that the recommended FY 2006 funding level will be sufficient for it to maintain current services, including implementing its new responsibilities pursuant to Am. Sub. H.B. 85 enacted by the 125th General Assembly. The absence of a recommended FY 2007 funding level reflects the Governor's intention to merge the Board with the Department of Public Safety.

**Temporary Law: Consolidation of Regulatory Boards (Section 315.03).** The executive budget contains a temporary law provision that: (1) express the intent to consolidate the Board within the Department not later than July 1, 2006, (2) create a transition team to develop a plan to ensure the smooth and timely transition of the Board into the Department, and (3) express the intent to introduce a bill in FY 2006 that will include the necessary statutory changes to effect the consolidation and include revised appropriations for FY 2007.

## REQUESTS NOT FUNDED

The table below shows the difference between the non-GRF funding levels that the Ohio Medical Transportation Board requested in each of FYs 2006 and 2007 to pay for its licensure, registration, and enforcement activities and the funding amounts that the Executive recommended.

Licensure/Registration/Enforcement						
Fund/Line Item	FY 2006 Requested	FY 2006 Recommended	Difference	FY 2007 Requested	FY 2007 Recommended	Difference
4N1/915-601	\$388,450	\$388,450	\$0	\$388,450	\$0	(\$388,450)
<b>Totals</b>	<b>\$388,450</b>	<b>\$388,450</b>	<b>\$0</b>	<b>\$388,450</b>	<b>\$0</b>	<b>(\$388,450)</b>

The Board's request for FY 2006 is fully funded, however, no FY 2007 funding is recommended. This reflects the Governor's intention to merge the Board with the Department of Public Safety.

## General Services Fund Group

### 4N1 915-601 Operating Expenses

2002	2003	2004	2005 Estimate	2006 Executive Proposal	2007 Executive Proposal
\$192,508	\$274,862	\$362,638	\$406,354	\$388,450	\$0
	42.8%	31.9%	12.1%	-4.4%	-100.0%

**Source:** GSF: (1) 2% of seat belt fine moneys forwarded pursuant to ORC 4513.263(E), (2) all fees from an emergency medical organization for a license as a basic life-support, intermediate life-support, advanced life-support, or mobile intensive care organization, a nonemergency medical service organization for a license to provide ambulette service, or an air medical service organization for a license to provide air medical transportation (ORC 4766.04), (3) all permit fees collected for each ambulance, ambulette, rotorcraft air ambulance, fixed wing air ambulance, and nontransportation vehicle (ORC 4766.07), and (4) all civil penalty moneys collected pursuant to ORC 4766.08

**Legal Basis:** Section 15 of Am. Sub. H.B. 95 of the 125th G.A.; ORC 4766.05(B) (originally established by Sub. S.B. 98 of the 119th G.A.)

**Purpose:** Moneys deposited to the credit of the fund support the Ohio Medical Transportation Board, which acts as the regulatory authority for all private, hospital-based, commercial ambulances, wheelchair vans (ambulettes), mobile intensive care units, medical helicopters, and fixed-wing medical aircraft operating within the state. These moneys may only be used for the salaries and expenses of the Board incurred in implementing and enforcing Chapter 4776. of Revised Code. The Executive budget proposes to merge the Board to the Department of Public Safety, effective July 1, 2006.

**LSC Budget Spreadsheet by Line Item, FY 2006 - FY 2007**

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>2004</i>	<i>Estimated 2005</i>	<i>Executive 2006</i>	<i>% Change 2005 to 2006</i>	<i>Executive 2007</i>	<i>% Change 2006 to 2007</i>
<b>AMB Ohio Medical Transportation Board</b>								
4N1	915-601	Operating Expenses	\$ 362,638	\$406,354	\$ 388,450	-4.4%	\$ 0	-100.0%
<b>General Services Fund Group Total</b>			<b>\$ 362,638</b>	<b>\$ 406,354</b>	<b>\$ 388,450</b>	<b>-4.4%</b>	<b>\$ 0</b>	<b>-100.0%</b>
<b>Total All Budget Fund Groups</b>			<b>\$ 362,638</b>	<b>\$ 406,354</b>	<b>\$ 388,450</b>	<b>-4.4%</b>	<b>\$ 0</b>	<b>-100.0%</b>