



Ambulance Operating Deficit Grant Program

2025 Progress Report

02/15/2026

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Report Purpose

This report is required by Minnesota Session Laws 2025, First Special Session, Chapter 3, Article 5, Section 4, Subdivision 9. The next report for this program is due to the legislature by February 15, 2027.

Executive Summary

The Ambulance Operating Deficit Grant Program was established during the 2025 First Special Session of the Minnesota Legislature to provide targeted financial relief to ambulance services experiencing documented operating losses. The program reflects the Legislature’s recognition of persistent financial challenges facing ambulance services across Minnesota, particularly those serving rural and greater Minnesota communities.

For State Fiscal Year (SFY) 2026, the Office of Emergency Medical Services (OEMS) evaluated 228 cost reports. Eligibility and award calculations were determined at the cost report level based on submitted financial data. Of these, 122 services met statutory eligibility criteria and demonstrated a qualifying operating deficit. Total documented losses among eligible services exceeded available appropriations, requiring a prorated distribution methodology as directed by law.

As a result, eligible ambulance services received grants covering approximately 20.9% of their documented losses.

This report details program administration, eligibility determinations, data validation processes, grant calculations, and the status of grant awards as of February 15, 2026.

Program Summary

Minnesota Session Laws 2025, First Special Session, Chapter 3, Article 5, Section 4 established the Ambulance Operating Deficit Grant Program. The intent of this program is to provide financial support to Minnesota ambulance services that are operating at a financial loss.

The legislation requires the Office of Emergency Medical Services director to make yearly grant awards to qualifying ambulance services in an amount not to exceed the amount of the documented loss based on the most recent cost collection report.

Awarded grants can be used for operational expenses or capital expenses as defined in the law.

Operational expenses means “costs related to the day-to-day operations of an ambulance service, including but not limited to costs related to personnel, supplies and equipment, fuel, vehicle maintenance, travel, education and fundraising.”

Capital expenses means “expenses that are incurred by a licensee for the purchase, improvement, or maintenance of assets with an expected useful life of greater than 5 years that improve the efficiency of provided ambulance services or the capabilities of the licensee...”

Cost Reports

To make grant awards, OEMS required updated cost collection data, as the most recent available reports reflected calendar year 2022 financial information.

On August 28, 2025, a [memo](#) with instructions was sent to all ambulance services in Minnesota that were required to submit cost reports under Minnesota Statute 62J.49. Services were given a deadline of November 21, 2025, to submit cost information for the last complete fiscal year.

95.80% of ambulance services returned a cost report in time to be considered for a potential grant.

Despite numerous emails, phone calls and other follow-up attempts, there were 9 ambulance services that did not return a cost report.

As a result of not submitting a cost report, these services were ineligible for a potential grant in accordance with Minnesota Session Laws 2025, First Special Session, Chapter 3, Article 5, Section 4, Subdivision 1(d). One ambulance service submitted a cost report on December 30, 2025 (39 days after the deadline) but was unable to be considered as grant awards had already been made.

The cost report tool (Formstack) included an automated calculation of net operating position. A downloaded spreadsheet also fed a Microsoft Power BI report that independently calculated net operating position. The two calculations were compared to confirm there were no variances prior to finalizing award determinations.

Eligibility

Once figures were confirmed, eligibility criteria were assessed. OEMS examined location, license type, and whether there was evidence of an operating loss. A total of 228 cost reports were reviewed. 122 reports were determined to be eligible for a grant. 106 were determined to be ineligible by one or more circumstances. Once a service was determined to be ineligible under any statutory criterion, no further eligibility analysis was conducted, as a single disqualifying condition was sufficient to determine ineligibility.

- 84 were determined to be ineligible due to not having a documented deficit
- 1 was determined to be ineligible due to having transferred the ambulance license to another entity and was no longer operating it at the time the calculations were made as required by Minnesota Session Laws 2025, First Special Session, Chapter 3, Article 5, Section 4, Subdivision 1(d)
- 3 were determined to be ineligible due to being a specialized license
- 18 were determined to be ineligible due to their location and were excluded under Minnesota Session Laws 2025, First Special Session, Chapter 3, Article 5, Section 4, Subdivision 4.

Data Review

Cost report data was reviewed to ensure that it was complete. There were several services that did not report insurance revenues, due to problems with their billing company. OEMS revised the collection instrument and encouraged those services to consult deposit records or other sources to arrive at those revenue figures. All

services ultimately reported the needed information. OEMS staff documented updates to these cost reports in the comment section of each report.

Additionally, Minnesota Session Laws 2025, First Special Session, Chapter 3, Article 5, Section 4, Subdivision 1(j) directed that aid payments received under the 2024 emergency ambulance aid program were not to be counted as revenue for the purposes of these grants. Despite instructions not to include these aid payments in cost reports, several services did so erroneously. OEMS reviewed reported revenue figures in the category of grants and other revenue. If a reported amount identically matched the certified Department of Revenue emergency ambulance aid payment amount, that figure was removed from the service’s revenue calculation. OEMS staff documented updates to these cost reports in the comment section of each report.

Grant Formula Calculation

The total losses of eligible grantees were determined to be \$39,215,509.95; this exceeded the \$8,209,000 available for SFY26 distribution. While the overall legislative appropriation was \$16,418,000, the legislation directed OEMS to issue grants over two fiscal years. Accordingly, 50% was made available for SFY26 and 50% will be made available for SFY27.

The reported losses exceeded the amount of available funds, and as a result, a prorated approach was utilized as directed by the legislation. For each eligible service, OEMS calculated its proportionate share of total statewide documented losses among eligible applicants. Each eligible service was awarded that same percentage of the \$8,209,000 available for SFY26 distribution. A manual review was undertaken to ensure that there were no instances where the awarded prorated amount exceeded the documented operating loss of a licensee. No instances of this were detected during manual review.

Grant Awards

All eligible ambulance services were notified of their grant award amount on or around December 11, 2025. Ambulance services were provided with a budget and workplan document to complete. Once those documents are returned, a grant contract is executed in accordance with policies set forth by the Office of Grants Management. Grants that have been submitted for encumbrance are included in Table 1 below. OEMS anticipates many grants being executed by March 31, 2026, but is dependent on the speed of ambulance services submitting their proposed budgets and workplans.

Awards and allocations for which a grant contract has not been sent for encumbrance are not yet public data due to their direct relationship to cost collection data, which is classified as non-public under the Minnesota Government Data Practices Act pursuant to Minnesota Statute 62J.49.

Table 1: Executed Ambulance Operating Deficit Grant Awards

Ambulance Service	Award Amount	Use of Grant	Amount Spent
Hoyt Lakes Ambulance	\$19,010.11	Ambulance Personnel	\$0.00
St. Croix Valley EMS	\$148,190.95	Ambulance Remount	\$0.00
Cloquet Area Fire District	\$65,112.67	Ambulance Personnel	\$0.00

Ambulance Service	Award Amount	Use of Grant	Amount Spent
County EMS	\$20,389.56	Ambulance Personnel	\$0.00
Sanford – Canby	\$5,293.58	Ambulance Personnel	\$0.00
Sanford – Bagley	\$136,959.50	Ambulance Personnel	\$0.00
Sanford – Thief River Falls	\$126,919.62	Ambulance Personnel	\$0.00
Springfield Ambulance	\$39,247.53	Ambulance Personnel	\$0.00
City of Adrian	\$18,889.30	Ambulance Personnel	\$0.00
Rock County Ambulance	\$8,779.92	Vehicle Maintenance and Repair	\$0.00
Mabel Ambulance	\$43,044.37	Ambulance Personnel, Education, Supplies, Vehicle Operations, Communications Equipment	\$0.00
City of Jackson	\$98,887.01	Ambulance Personnel, Supplies, Technology Enhancements	\$0.00
City of Fulda	\$4,880.37	Supplies	\$0.00
Ringdahl Ambulance	\$113,255.00	Ambulance Personnel	\$0.00
Grand Portage Ambulance	\$35,290.61	Equipment, Supplies, Training, Vehicle Fuel/Maintenance	\$0.00
Ortonville Ambulance Service	\$8,708.61	Ambulance Personnel	\$0.00
Cromwell Wright Area Fire District	\$11,881.21	Supplies, Training	\$0.00
City of Montgomery	\$39,555.24	Training, Vehicle Purchase	\$0.00
City of New London	\$10,464.02	Maintenance Contracts, Training, Supplies	\$0.00
City of International Falls	\$235,512.60	Ambulance Purchase	\$0.00
Crookston	\$45,192.42	Ambulance Personnel, Training & Education	\$0.00
City of Kiester	\$695.72	Medical Supplies	\$0.00
Mahnomen Health Center Ambulance	\$47,050.55	Capital Equipment Purchases	\$0.00

Ambulance Service	Award Amount	Use of Grant	Amount Spent
Caledonia Ambulance	\$14,189.33	Supplies/Communications Equipment	\$0.00
Truman Ambulance	\$35,845.28	Ambulance Personnel, Radios, Equipment	\$0.00
Winthrop Ambulance	\$13,806.45	General Operating Expenses	\$0.00
Hayfield Ambulance	\$12,307.04	Ambulance Personnel	\$0.00
Blackduck Ambulance Association	\$44,400.10	Ambulance Personnel, Vehicle Maintenance, Building Maintenance, Medical Supplies	\$0.00
Tower Ambulance	\$44,653.46	Ambulance Personnel	\$0.00
City of Buhl	\$121,332.08	Ambulance Personnel, Equipment, Cardiac Monitor, Ventilator	\$0.00
Hendricks Community Hospitals	\$45,119.33	Ambulance Personnel, Supplies, and Equipment	\$0.00
Perham Area EMS	\$57,684.77	Ambulance Personnel	\$0.00
Lake City	\$143,905.73	Ambulance Purchase	\$0.00
Chisholm Ambulance	\$21,796.67	Ambulance Personnel	\$0.00
Houston Ambulance	\$783.42	Ambulance Personnel	\$0.00
Walnut Grove	\$9,797.38	Ambulance Personnel	\$0.00
Sleepy Eye	\$21,313.54	Ambulance Personnel	\$0.00
Freeborn Ambulance	\$3,883.88	Medical Direction, Ambulance Personnel, and Training	\$0.00
Hibbing Fire	\$357,107.86	Ambulance Personnel	\$0.00
Melrose Ambulance	\$95,114.12	Ambulance Purchase	\$0.00
Henning Ambulance	\$3,511.99	Ambulance Personnel	\$0.00
Avera Tyler Ambulance	\$12,491.52	Medications, Capital Equipment, Fuel	\$0.00
Lakefield Ambulance	\$19,628.20	Ambulance Personnel	\$0.00
Murray County Ambulance	\$11,981.07	Ambulance Personnel	\$0.00
Rushford Ambulance	\$41,060.31	Ambulance Personnel	\$0.00
Mayo – Albert Lea	\$197,741.25	Ambulance Personnel	\$0.00

Ambulance Service	Award Amount	Use of Grant	Amount Spent
Mayo – Plainview	\$175,657.84	Ambulance Personnel	\$0.00
Mayo – Owatonna	\$296,754.26	Ambulance Personnel	\$0.00
Mayo – Little Falls	\$36,293.65	Ambulance Personnel	\$0.00
Mayo – Litchfield	\$123,941.34	Ambulance Personnel	\$0.00
Mayo – Fairmont	\$364,496.01	Ambulance Personnel	\$0.00
Red Wing Fire Dept	\$195,783.29	Ambulance Purchase	\$0.00
Eveleth Ambulance	\$73,858.64	Ambulance Personnel	\$0.00
Essentia Health – Fosston	\$121,378.66	Ambulance Personnel, Equipment Upgrades, Capital Equipment Replacement (Ventilators, CPR Device, and Radios)	\$0.00
Essentia Health – Deer River	\$89,934.24	Ambulance Personnel, Equipment Upgrades, Capital Equipment Replacement (Cardiac Monitor, CPR Device)	\$0.00
Essentia Health – Ada	\$109,173.00	Equipment Upgrades, Capital Equipment (Ventilator, CPR Device, QRV and Equipment)	\$0.00
Astera Health	\$284,467.81	Ambulance Personnel	\$0.00
Lake of the Woods	\$72,988.87	Supplies, Capital Building Improvement, Power Stretcher	\$0.00
Madison Ambulance	\$7,140.87	Ambulance Purchase	\$0.00
LifeCare EMS	\$168,088.66	Ambulance Purchase	\$0.00
Welia Health	\$170,055.70	Ambulance Personnel	\$0.00
CHI St. Francis	\$79,269.89	Capital Building Expense, Power Stretcher Load System	\$0.00
Olivia Ambulance	\$119,157.95	Capital Building Expense	\$0.00
CCM Health	\$94,835.18	Ambulance Personnel, CPR Devices	\$0.00
Lakewood Health System	\$104,264.68	Ambulance Personnel	\$0.00
City of Walker	\$67,548.39	Equipment Upgrades, CPR Device, Cardiac Monitor	\$0.00

Ambulance Service	Award Amount	Use of Grant	Amount Spent
City of Marshall	\$80,304.38	Equipment Upgrades, Power Stair Chair, Cardiac Monitor	\$0.00
NORTH Memorial – Longville	\$22,055.41	CPR Device, Other Clinical Equipment	\$0.00
Floodwood Ambulance	\$48,243.26	Ambulance Personnel, Other Operational Expense, Equipment and Supplies	\$0.00
Stevens County EMS	\$52,058.86	Ambulance Personnel	\$0.00
Chatfield Ambulance	\$64,311.74	Ambulance Personnel, Stair Chairs	\$0.00
NORTH Memorial – Douglas County	\$21,221.07	CPR Device, Airway Equipment	\$0.00
Browns Valley	\$10,853.66	IT and Data Systems Improvement	\$0.00
Hutchinson Health	\$119,893.58	Ambulance Personnel	\$0.00
Glencoe Health	\$84,893.81	Ambulance Personnel	\$0.00
Allina New Ulm	\$133,354.04	Ambulance Personnel	\$0.00
Lake Crystal	\$10,168.63	Operating Supplies, Equipment Repair	\$0.00
Wabasha Ambulance	\$37,075.60	Ambulance Personnel	\$0.00
Bois Forte	\$20,188.67	Communications Equipment	\$0.00
North Valley EMS	\$21,816.67	Ambulance Personnel	\$0.00
NORTH Memorial – Princeton	\$60,974.61	CPR Device, Airway Equipment	\$0.00
NORTH Memorial – Grand Rapids	\$122,163.74	Cardiac Monitor, Airway Equipment	\$0.00
NORTH Memorial – Waseca	\$135,206.02	CPR Device, Airway Equipment, Medication Pump	\$0.00
NORTH Memorial – Faribault	\$181,941.36	CPR Device, Cardiac Monitor, Airway Equipment	\$0.00
NORTH Memorial – Brainerd	\$179,848.03	CPR Devices, Airway Equipment	\$0.00

Ambulance Service	Award Amount	Use of Grant	Amount Spent
NORTH Memorial – Park Rapids	\$61,715.11	CPR Devices, Airway Equipment	\$0.00
NORTH Memorial – Aitkin	\$66,027.82	CPR Device, Airway Equipment, Medication Pump	\$0.00
Ashby Fire Department	\$6,450.43	Medical Supplies	\$0.00
Cosmos Ambulance	\$301.89	Medical Supplies	\$0.00

An overall accounting of available SFY26 funds is included in Table 2.

Table 2: Breakdown of SFY26 Appropriated Funding

SFY26 Available Funds	Amount Allocated to Grants	Amount of Encumbered Funding or Pending Encumbrance	Amount of Funding Pending Workplans/Budget	Amount of Grant Funding Spent
\$8,209,000	\$8,209,000	\$6,908,822.57	\$1,300,177.43	\$0.00

Table 3: Breakdown of Grant Execution Status

Number of Cost Reports Reviewed	Number Ineligible for Grants	Number Eligible for Grants	Number with Grants Executed or Pending Encumbrance	Number Pending Award Acceptance
228	106	122	89	33