The Numbers Behind a Non-Emergency Medical Transportation Business

A free field guide from Bytell Press. The figures come from our example financial model for a three-vehicle non-emergency medical transportation fleet. They are planning assumptions, not quotes for your market; the worksheet at the end is for your own numbers.

Most new medical transportation companies do not fail for lack of riders. They fail because nobody worked out how many paid trips a month cover the bills, or how long the wait for payment is. This guide gives you that arithmetic in two pages.

1. How the money comes in

The work is paid **by the trip**. In the example model most trips are assigned and paid through a transport broker, so the company does not set that price.

Trip type	Rate in the model	Role in the model
Ambulatory (rider walks and transfers)	Lowest per-trip rate	Highest volume
Wheelchair-accessible	Higher per-trip rate	Lifts the blended rate
Stretcher	Strongest per-trip rate	Planned for later, not at launch
Facility contracts and private-pay rides	Priced by the company, above broker rates	Improves the blended margin
Blended across the mix	**About $50 per trip**	**About 45% gross margin**

The model builds revenue one vehicle at a time. Each vehicle runs about 10 trips a day over a five-day week and brings in about $11,000 a month. Three vehicles make about 660 trips and **$33,000 a month**.

The rate is mostly fixed, so the margin is in keeping each shift full of paid trips and in the work that pays above the base rate.

2. What it costs to open

The example model opens on **$120,000**: a $90,000 loan and $30,000 of the owner's own money.

Use of funds	Amount
Vehicles (three, at least one wheelchair-accessible)	$75,000
First-year insurance	$18,000
Bond, licensing and enrollment	$7,000
Dispatch and billing software and setup	$5,000

Use of funds	Amount
Working-capital reserve	$15,000
Total	**$120,000**

The reserve is the line that pays the drivers while the business waits to be paid.

3. What it costs to stay open

The model carries **$8,500 a month** in fixed costs, whether or not a single trip is run:

Monthly fixed cost	Amount
Loan payment	$1,957
Insurance, dispatch and billing software, office and admin, owner overhead	$6,543
Total	**$8,500**

The second line includes an owner overhead amount but does not state an owner salary, so treat your own pay as a separate question in the worksheet below.

Driver wages, fuel and vehicle maintenance are not in this table. They rise and fall with the trips and take 55% of revenue.

4. The break-even: the one number to know

Break-even revenue = monthly fixed costs ÷ gross margin.

With the model's numbers: $8,500 ÷ 0.45 = about **$18,889 a month**. At $50 a trip, that is **about 378 trips a month**. That is the work of **two vehicles running full schedules**.

5. The risk the numbers show: empty seats and slow payment

The model does not start with three full vehicles. It starts with one and adds the second and third as trip volume and collections support them. One vehicle producing $4,950 of gross profit against $8,500 of fixed costs leaves the business about **$3,550 a month short**. The $15,000 reserve covers roughly four months of that gap.

Two things decide how long the gap lasts. The first is utilization, the share of a driver's shift spent on paid trips. The model compares a fleet stuck near 35% with a well-scheduled fleet at 60–80%; the lower figure erodes the margin quickly. The second is the payment gap. Trips are paid weeks after they are run, while wages and fuel are paid now.

6. Your numbers

Fill this in with figures from your own market before you buy a vehicle.

Question	Model	Yours
Blended rate per trip	$50	_____

Question	Model	Yours
Paid trips per vehicle per day	10	_____
Gross margin after driver wages, fuel and maintenance	45%	_____
Monthly fixed costs	$8,500	_____
Owner pay you need each month, if not already in fixed costs	Not stated	_____
Break-even revenue (fixed costs ÷ margin)	$18,889	_____
Trips a month to break even	378	_____

If your break-even needs more paid trips than your vehicles can run, change the plan before you finance the fleet: start with fewer vehicles, cut a fixed cost, or line up contract work that pays above the base rate.

This guide is general business information, not legal, tax, accounting or investment advice. The figures are illustrative assumptions from an example model and are not a forecast or a promise of results. Licensing and insurance requirements vary by state and are not covered here; check yours with the state agency.

Bytell Press publishes the full business plan, the editable financial model behind these numbers, and the operating playbooks for a non-emergency medical transportation company.

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