

Senator Curtis S. Bramble proposes the following substitute bill:

**EMERGENCY MEDICAL SERVICES**

2003 GENERAL SESSION

STATE OF UTAH

**Sponsor: Curtis S. Bramble**

**This act modifies the Health Code. The act modifies the Utah Emergency Medical Services System Act. The act permits ambulance and paramedic license applicants who have met the Department of Health's minimum requirements and standards to enter into a competitive bid process to provide services to local governments for 911 emergency calls. The act permits local governments in counties of the first and second class to select a license applicant through an open procurement process. The act requires a local government that elects to use the bid process to consider certain factors when selecting a provider. The act requires the department to issue a license to the applicant selected by a local government except in certain limited circumstances. The act makes other technical and conforming amendments. This act takes effect January 1, 2004.**

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

**26-8a-404**, as enacted by Chapter 141, Laws of Utah 1999

**26-8a-405**, as enacted by Chapter 141, Laws of Utah 1999

**26-8a-406**, as enacted by Chapter 141, Laws of Utah 1999

**26-8a-411**, as enacted by Chapter 141, Laws of Utah 1999

**26-8a-413**, as enacted by Chapter 141, Laws of Utah 1999

ENACTS:

**26-8a-405.1**, Utah Code Annotated 1953

**26-8a-405.2**, Utah Code Annotated 1953

*Be it enacted by the Legislature of the state of Utah:*



26 Section 1. Section **26-8a-404** is amended to read:

27 **26-8a-404. Ground ambulance and paramedic licenses -- Application and**  
28 **department review.**

29 (1) Except as provided in Section 26-8a-413, an applicant for a ground ambulance or  
30 paramedic license shall apply to the department for a license only by:

- 31 (a) submitting a completed application;
- 32 (b) providing information in the format required by the department; and
- 33 (c) paying the required fees, including the cost of the hearing officer.

34 (2) The department [~~may~~] shall make rules establishing minimum qualifications and  
35 requirements for:

- 36 (a) personnel;
- 37 (b) capital reserves;
- 38 (c) equipment;
- 39 (d) a business plan;
- 40 (e) operational procedures;
- 41 (f) [~~resource hospital and~~] medical direction agreements;
- 42 (g) management and control; and
- 43 (h) other matters that may be relevant to an applicant's ability to provide ground  
44 ambulance or paramedic service.

45 (3) An application for a license to provide ground ambulance service or paramedic  
46 service shall be for all ground ambulance services or paramedic services arising within the  
47 geographic service area, except that an applicant may apply for a license for less than all  
48 ground ambulance services or all paramedic services arising within an exclusive geographic  
49 area if it can demonstrate how the remainder of that area will be served.

50 (4) Upon receiving a completed application and the required fees, the department shall  
51 review the application and determine whether the application meets the minimum  
52 qualifications and requirements for licensure.

53 (5) The department may deny an application if it finds that it contains any materially  
54 false or misleading information, is incomplete, or if the application demonstrates that the  
55 applicant fails to meet the minimum qualifications and requirements for licensure under  
56 Subsection (2).

57 (6) If the department denies an application, it shall notify the applicant in writing  
 58 setting forth the grounds for the denial. A denial may be appealed under Title 63, Chapter 46b,  
 59 Administrative Procedures Act.

60 Section 2. Section **26-8a-405** is amended to read:

61 **26-8a-405. Ground ambulance and paramedic licenses -- Agency notice of**  
 62 **approval.**

63 [~~If~~] (1) Beginning § [July] JANUARY § 1, 2004, if the department determines that the  
 63a application meets

64 the minimum requirements for licensure under Section 26-8a-404, the department shall[~~:(†)]~~  
 65 issue a notice of [~~agency action to the applicant to commence an informal administrative~~  
 66 ~~proceeding;~~] the approved application to the applicant.

67 [~~(2) provide notice of the application to all interested parties; and]~~

68 [~~(3) publish notice of the application, at the applicant's expense, once a week for four~~  
 69 ~~consecutive weeks, in a newspaper of general circulation in the geographic service area that is~~  
 70 ~~the subject of the application.]~~

71 (2) A current license holder responding to a request for proposal under Section  
 72 26-8a-405.2 is considered an approved applicant for purposes of Section 26-8a-405.2 if the  
 73 current license holder, prior to responding to the request for proposal, submits the following to  
 74 the department:

75 (a) if the license holder is a private entity, a financial statement, a pro forma budget and  
 76 necessary letters of credit demonstrating a financial ability to expand service to a new service  
 77 area; or

78 (b) if the license holder is a governmental entity, a letter from the governmental entity's  
 79 governing body demonstrating the governing body's willingness to financially support the  
 80 application.

81 Section 3. Section **26-8a-405.1** is enacted to read:

82 **26-8a-405.1. Selection of provider by political subdivision.**

83 (1) (a) Only an applicant approved under Section 26-8a-405 may respond to a request  
 84 for a proposal for 911 emergency ambulance or paramedic services issued in accordance with  
 85 Section 26-8a-405.2 by a political subdivision.

86 (b) A response to a request for proposal is subject to the maximum rates established by  
 87 the department under Section 26-8a-403.

88 (2) (a) For purposes of this section and Section 26-8a-405.2, "emergency 911  
89 ambulance or paramedic services":

90 (i) means a 911 call received by a designated dispatch center that receives 911 or E911  
91 calls; and

92 (ii) does not mean a seven digit telephone call received directly by an ambulance  
93 provider licensed under this chapter.

94 (b) A political subdivision may award a contract to an applicant for the provision of  
95 emergency 911 ambulance and paramedic services:

96 (i) in accordance with Section 26-8a-405.2; and

97 (ii) subject to Subsection (3).

98 (3) (a) The department shall issue a license to an applicant selected by a political  
99 subdivision under Subsection (2) unless the department finds that issuing a license to that  
100 applicant would jeopardize the health, safety, and welfare of the citizens of the geographic  
101 service area.

102 (b) A license issued under this Subsection (3):

103 (i) is for the exclusive geographic service area approved by the department in  
104 accordance with Subsection 26-8a-405.2(3);

105 (ii) is valid for four years;

106 (iii) is not subject to a request for license from another applicant under the provisions  
107 of Sections 26-8a-406 through 26-8a-409 during the four-year term, unless the applicant's  
108 license is revoked under Section 26-8a-504; and

109 (iv) is subject to supervision by the department under Sections 26-8a-503 and  
110 26-8a-504.

111 (4) The provisions of Sections 26-8a-406 through 26-8a-409 do not apply to a license  
112 issued under this section.

113 Section 4. Section **26-8a-405.2** is enacted to read:

114 **26-8a-405.2. Selection of provider, public bid, public convenience, and necessity.**

115 (1) For purposes of this section, "political subdivision" means:

116 (a) a city or town located in a county of the first or second class as defined in Section  
117 17-50-501;

118 (b) a county of the first or second class;

119 (c) a special service district, as defined by Section 17A-2-1304, within a county of the  
 120 first or second class; or

121 (d) more than one city, town, or parts of an unincorporated county of the first or second  
 122 class with contiguous borders joining together for the purpose of providing ambulance and  
 123 paramedic services in a designated exclusive geographic service area.

124 (2) (a) A political subdivision may contract with an applicant approved under Section  
 125 26-8a-404 to provide emergency 911 ambulance or paramedic services for the geographic  
 126 service area that is approved by the department in accordance with Subsection (3), if the  
 127 political subdivision complies with the provisions of this section.

128 (b) § THE PROVISIONS OF THIS SECTION AND SECTION 26-8a-405.1 DO NOT REQUIRE A  
 128a POLITICAL SUBDIVISION TO ISSUE A REQUEST FOR PROPOSAL FOR AMBULANCE OR PARAMEDIC  
 128b SERVICES. § If a political subdivision does not contract with an applicant in accordance with this  
 129 section, the provisions of Sections 26-8a-406 through 26-8a-409 apply to the issuance of a  
 130 license for ambulance or paramedic services in the geographic service area that is within the  
 131 boundaries of the political subdivision.

132 (3) (a) The political subdivision shall submit the proposed exclusive geographic service  
 133 area to be included in the request for proposals to the department for approval prior to issuing a  
 134 request for proposal. The department shall approve the exclusive geographic service area:

135 (i) unless the geographic service area creates an orphaned area; and

136 (ii) in accordance with Subsections (3)(b) and (c).

137 (b) The exclusive geographic service area may:

138 (i) include the entire geographic service area that is within the political subdivision's  
 139 boundaries;

140 (ii) include islands within or adjacent to other peripheral areas not included in the  
 141 political subdivision that governs the geographic service area; or

142 (iii) exclude portions of the geographic service area within the political subdivision's  
 143 boundaries if another political subdivision or licensed provider agrees to include the excluded  
 144 area within their license.

145 (c) The proposed geographic service area for emergency 911 service must demonstrate  
 146 that § [nonemergency] NON § 911 service will be provided in the service area, either by the current  
 147 provider, the applicant, or some other method acceptable to the department.

148 (4) (a) (i) A political subdivision may select an applicant approved by the department  
 149 under Section 26-8a-404 to provide emergency 911 ambulance or paramedic services by

150 contract let to the lowest, responsive, and responsible bidder after publication of notice at least  
151 once a week for three consecutive weeks in a newspaper of general circulation published in the  
152 county, or if there is no such newspaper, then after posting such notice for at least 20 days in at  
153 least five public places in the county.

154 (ii) The applicant's who are approved under Section 26-8a-405 and who are selected  
155 under Subsection (4)(a)(i) may be any other public entity or entities, any private person or  
156 entity, or any combination thereof.

157 (b) A political subdivision may reject any or all of the bids that are not responsive to  
158 the request for proposal specifications.

159 (5) In seeking bids and awarding contracts under this section, a political subdivision:

160 (a) shall follow the provisions of Section 63-56-20; and

161 (b) shall consider the public convenience and necessity factors listed in Subsections  
162 26-8a-408(2), (3), and (4) in awarding the contract.

163 Section 5. Section **26-8a-406** is amended to read:

164 **26-8a-406. Ground ambulance and paramedic licenses -- Parties.**

165 (1) When an applicant approved under Section 26-8a-404 seeks licensure under the  
166 provisions of Sections 26-8a-406 through 26-8a-409, the department shall:

167 (a) issue a notice of agency action to the applicant to commence an informal  
168 administrative proceeding;

169 (b) provide notice of the application to all interested parties; and

170 (c) publish notice of the application, at the applicant's expense, once a week for four  
171 consecutive weeks, in a newspaper of general circulation in the geographic service area that is  
172 the subject of the application.

173 [~~1~~] (2) An interested party has 30 days to object to an application.

174 [~~2~~] (3) If an interested party objects, the presiding officer must join the interested  
175 party as an indispensable party to the proceeding.

176 [~~3~~] (4) The department may join the proceeding as a party to represent the public  
177 interest.

178 [~~4~~] (5) Others who may be affected by the grant of a license to the applicant may join  
179 the proceeding, if the presiding officer determines that they meet the requirement of legal  
180 standing.

181 Section 6. Section **26-8a-411** is amended to read:

182 **26-8a-411. Limitation on repetitive applications.**

183 A person who has previously applied for a license under [~~this part~~] Sections 26-8a-406  
184 through 26-8a-409 may not apply for a license for the same service that covers any exclusive  
185 geographic service area that was the subject of the prior application unless:

186 (1) one year has passed from the date of the issuance of a final decision under Section  
187 26-8a-407; or

188 (2) all interested parties and the department agree that a new application is in the public  
189 interest.

190 Section 7. Section **26-8a-413** is amended to read:

191 **26-8a-413. License renewals.**

192 (1) A licensed provider desiring to renew its license must meet the renewal  
193 requirements established by department rule.

194 (2) The department shall issue a renewal license for a ground ambulance provider or a  
195 paramedic provider upon the licensee's application for a renewal and without a public hearing  
196 if there has been [~~no~~]:

197 (a) no change in controlling interest in the ownership of the licensee as defined in  
198 Section 26-8a-415;

199 (b) no serious, substantiated public complaints filed with the department against the  
200 licensee during the term of the previous license;

201 (c) no material or substantial change in the basis upon which the license was originally  
202 granted;

203 (d) no reasoned objection from the committee or the department; and

204 (e) (i) if the applicant was licensed under the provisions of Sections 26-8a-406 through  
205 26-8a-409, no conflicting license application[-]; and

206 (ii) if the applicant was licensed under the provisions of Section 26-8a-405.1 § [~~, after the~~

207 political subdivision issues a new request for proposal and renews the contract with the

208 licensee as a result of the public bid process described in Section 26-8a-405.2.] NO WRITTEN NOTICE

208a FROM AN APPLICANT APPROVED UNDER SECTION 26-8a-405 TO THE DEPARTMENT AND THE

208b POLITICAL SUBDIVISION INFORMING THE POLITICAL SUBDIVISION OF AN APPROVED APPLICANT'S

208c DESIRE TO SUBMIT A BID TO THE POLITICAL SUBDIVISION FOR AMBULANCE OR PARAMEDIC

208d SERVICES. IF NOTICE IS PROVIDED TO THE DEPARTMENT AND THE POLITICAL SUBDIVISION

208e UNDER THIS SUBSECTION, THE POLITICAL SUBDIVISION MUST ENTER INTO A PUBLIC BID

208f PROCESS UNDER SECTION 26-8a-405.2, OR FOLLOW THE REQUIREMENTS OF SECTIONS 26-8a-406

208g THROUGH 26-8a-409. §

209 (3) The department shall issue a renewal license for an air ambulance provider upon  
210 the licensee's application for renewal and completion of the renewal requirements established  
211 by department rule.

212           Section 8. **Effective date.**

213           This act takes effect on January 1, 2004.