

EMERGENCY MEDICAL SERVICES

2003 GENERAL SESSION

STATE OF UTAH

Sponsor: Curtis S. Bramble

5 This act modifies the Health Code. The act modifies the Utah Emergency Medical
6 Services System Act. The act permits ambulance and paramedic license applicants who
7 have met the Department of Health's minimum requirements and standards to enter into
8 a competitive bid process to provide services to local governments. The act permits local
9 governments to select a license applicant through an open procurement process. The act
10 requires a local government that elects to use the bid process to consider certain factors
11 when selecting a provider. The act requires the department to issue a license to the
12 applicant selected by a local government except in certain limited circumstances. The act
13 makes other technical and conforming amendments.

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

15 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

21 ENACTS:

22 **26-8a-405.1**, Utah Code Annotated 1953

23 **26-8a-405.2**, Utah Code Annotated 1953

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

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

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



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

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

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

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

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

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

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

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

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

60 **26-8a-405. Ground ambulance and paramedic licenses -- Agency notice of
61 approval.**

62 If the department determines that the application meets the minimum requirements for
63 licensure under Section 26-8a-404, the department shall~~[(1)]~~ issue a notice of ~~[agency action
64 to the applicant to commence an informal administrative proceeding;]~~ the approved application
65 to the applicant.

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

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

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

71 **26-8a-405.1. Selection of provider by political subdivision.**

72 (1) (a) Only an applicant approved under Section 26-8a-405 may respond to a request
73 for a proposal for ambulance or paramedic services issued in accordance with Section
74 26-8a-405.2 by a political subdivision.

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

77 (2) A political subdivision may award a contract to an applicant for the provision of
78 ambulance and paramedic services:

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

80 (b) subject to Subsection (3).

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

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

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

88 (ii) is valid for four years;

89 (iii) is not subject to a request for license from another applicant under the provisions

90 of Sections 26-8a-406 through 26-8a-409 during the four-year term, unless the applicant's
91 license is revoked under Section 26-8a-504; and

92 (iv) is subject to supervision by the department under Sections 26-8a-503 and
93 26-8a-504.

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

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

97 **26-8a-405.2. Selection of provider, public bid, public convenience, and necessity.**

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

99 (a) a city or town;

100 (b) a county;

101 (c) a special service district as defined by Section 17A-2-1304; or

102 (d) more than one city, town, or parts of unincorporated county with contiguous

103 borders joining together for the purpose of providing ambulance and paramedic services in a
104 designated exclusive geographic service area.

105 (2) (a) A political subdivision may contract with an applicant approved under Section
106 26-8a-404 to provide ambulance and paramedic services for the geographic service area that is
107 approved by the department in accordance with Subsection (3), if the political subdivision
108 complies with the provisions of this section.

109 (b) If a political subdivision does not contract with an applicant in accordance with this
110 section, the provisions of Sections 26-8a-406 through 26-8a-409 apply to the issuance of a
111 license for ambulance or paramedic services in the geographic service area that is within the
112 boundaries of the political subdivision.

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

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

117 (ii) in accordance with Subsection (3)(b).

118 (b) The exclusive geographic service area may:

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

121 (ii) include islands within or adjacent to other peripheral areas not included in the
122 political subdivision that governs the geographic service area; or
123 (iii) exclude portions of the geographic service area within the political subdivision's
124 boundaries if another political subdivision or licensed provider agrees to include the excluded
125 area within their license.

126 (4) (a) (i) A political subdivision may select an applicant approved by the department
127 under Section 26-8a-404 to provide ambulance and paramedic services by contract let to the
128 lowest, responsive, and responsible bidder after publication of notice at least once a week for
129 three consecutive weeks in a newspaper of general circulation published in the county, or if
130 there is no such newspaper, then after posting such notice for at least 20 days in at least five
131 public places in the county.

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

135 (b) A political subdivision may reject any or all of the bids.

136 (5) In seeking bids and awarding contracts under this section, a political subdivision:
137 (a) shall follow the provisions of Section 63-56-20; and
138 (b) shall consider the public convenience and necessity factors listed in Subsections
139 26-8a-408(2), (3), and (4) in awarding the contract.

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

141 **26-8a-406. Ground ambulance and paramedic licenses -- Parties.**

142 (1) When an applicant seeks licensure under the provisions of Sections 26-8a-406
143 through 26-8a-409, the department shall:

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

146 (b) provide notice of the application to all interested parties; and
147 (c) publish notice of the application, at the applicant's expense, once a week for four
148 consecutive weeks, in a newspaper of general circulation in the geographic service area that is
149 the subject of the application.

150 [(+) (2)] An interested party has 30 days to object to an application.

151 [(+) (3)] If an interested party objects, the presiding officer must join the interested

152 party as an indispensable party to the proceeding.

153 [~~(3)~~] (4) The department may join the proceeding as a party to represent the public
154 interest.

155 [~~(4)~~] (5) Others who may be affected by the grant of a license to the applicant may join
156 the proceeding, if the presiding officer determines that they meet the requirement of legal
157 standing.

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

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

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

163 (1) one year has passed from the date of the issuance of a final decision under Section
164 26-8a-407; or

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

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

26-8a-413. License renewals.

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

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

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

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

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

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

181 (e) (i) if the applicant was licensed under the provisions of Sections 26-8a-406 through
182 26-8a-409, no conflicting license application[-]; and

183 (ii) if the applicant was licensed under the provisions of Section 26-8a-405.1, after the
184 political subdivision renews the contract with the licensee as a result of the public bid process
185 described in Section 26-8a-405.2.

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

Legislative Review Note
as of 2-7-03 3:48 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

State Impact

Administrative costs associated with this bill can be handled within existing budgets.

Individual and Business Impact

Ambulance and paramedic providers may be affected by the competitive bid process established in this bill.

Office of the Legislative Fiscal Analyst