

**AMBULANCE SERVICES - FREE MARKET**

**COMPETITION**

2006 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Gregory H. Hughes**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill amends the Utah Emergency Medical Services System Act to permit more than one licensed ground ambulance provider to respond to non-911 ambulance transport calls in an exclusive geographic service area.

**Highlighted Provisions:**

This bill:

- ▶ amends language regarding exclusive geographic service areas;
- ▶ enacts language to allow more than one ground ambulance provider to respond to non-911 ground ambulance calls in a geographic service area; and
- ▶ provides license renewal standards.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**26-8a-402**, as last amended by Chapter 1, Laws of Utah 2000

**26-8a-413**, as last amended by Chapter 213, Laws of Utah 2003

ENACTS:



28           **26-8a-402.5**, Utah Code Annotated 1953

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

31           Section 1. Section **26-8a-402** is amended to read:

32           **26-8a-402. Exclusive geographic service areas.**

33           (1) ~~[Each]~~ Except as provided in Section 26-8a-402.5, each ground ambulance provider  
34 license issued under this part shall be for an exclusive geographic service area as described in  
35 the license. Only the licensed ground ambulance provider may respond to an ambulance  
36 request that originates within the provider's exclusive geographic service area, except as  
37 provided in Subsection (5) and Section 26-8a-416.

38           (2) Each paramedic provider license issued under this part shall be for an exclusive  
39 geographic service area as described in the license. Only the licensed paramedic provider may  
40 respond to a paramedic request that originates within the exclusive geographic service area,  
41 except as provided in Subsection (6) and Section 26-8a-416.

42           (3) Nothing in this section may be construed as either requiring or prohibiting that the  
43 formation of boundaries in a given location be the same for a licensed paramedic provider as it  
44 is for a licensed ambulance provider.

45           (4) (a) A licensed ground ambulance or paramedic provider may, as necessary, enter  
46 into a mutual aid agreement to allow another licensed provider to give assistance in times of  
47 unusual demand, as that term is defined by the committee in rule.

48           (b) A mutual aid agreement shall include a formal written plan detailing the type of  
49 assistance and the circumstances under which it would be given.

50           (c) The parties to a mutual aid agreement shall submit a copy of the agreement to the  
51 department.

52           (d) Notwithstanding this Subsection (4), a licensed provider may not subcontract with  
53 another entity to provide services in the licensed provider's exclusive geographic service area.

54           (5) Notwithstanding Subsection (1), a licensed ground ambulance provider may  
55 respond to an ambulance request that originates from the exclusive geographic area of another  
56 provider:

57           (a) pursuant to a mutual aid agreement;

58           (b) to render assistance on a case-by-case basis to that provider; ~~[and]~~

- (c) as necessary to meet needs in time of disaster or other major emergency[-]; and  
(d) as permitted by Section 26-8a-402.5.

(6) Notwithstanding Subsection (2), a licensed paramedic provider may respond to a paramedic request that originates from the exclusive geographic area of another provider:

- (a) pursuant to a mutual aid agreement;  
(b) to render assistance on a case-by-case basis to that provider; and  
(c) as necessary to meet needs in time of disaster or other major emergency.

Section 2. Section **26-8a-402.5** is enacted to read:

**26-8a-402.5. Ground ambulance transport services -- License -- Service area.**

(1) A ground ambulance provider may respond to a non-911 request for ambulance transport in a geographic service area in a city or town located in a county with a population of 90,000 or greater if:

(a) the ground ambulance provider is licensed for paramedic services or ground ambulance services for any exclusive geographic service area in a city or town located in a county with a population density of 90,000 or greater;

(b) the ground ambulance provider notifies the department of its intent to provide non-911 ground ambulance services in a particular geographic service area; and

(c) the ground ambulance provider certifies to the department that:

(i) the ground ambulance provider will respond to any non-911 ground ambulance calls in the geographic service area; and

(ii) the ground ambulance provider will not respond to 911 ground ambulance calls in the geographic service area unless:

(A) the ground ambulance non-911 provider has a license for E-911 or 911 service in the geographic service area; or

(B) the provisions of Subsection 26-8a-402(5) apply.

(2) (a) Upon receiving a completed application and the required fees, the department shall review the application and determine whether the applicant meets the requirements of Subsection (1).

(b) If the department finds that a ground ambulance service provider meets the requirements of Subsection (1), the department shall issue a license to the ground ambulance provider for non-911 ground ambulance services within the geographic service area identified

in Subsection (1)(b).

(c) An application for a license under this section is not subject to the provisions of Sections 26-8a-406 through 26-8a-409.

Section 3. Section **26-8a-413** is amended to read:

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

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

(2) The department shall issue a renewal license for a ground ambulance provider or a paramedic provider upon the licensee's application for a renewal and without a public hearing if there has been:

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

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

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

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

(e) if the applicant was licensed under the provisions of Sections 26-8a-406 through 26-8a-409, no conflicting license application which, for purposes of this Subsection (2)(e), is not an application under Section 26-8a-402.5.

(3) (a) (i) The provisions of this Subsection (3) apply to a provider licensed under the provisions of Sections 26-8a-405.1 and 26-8a-405.2.

(ii) A provider may renew its license if the provisions of Subsections (1), (2)(a) through (d), and this Subsection (3) are met.

(b) (i) The department shall issue a renewal license to a provider upon the provider's application for renewal for one additional four-year term if the political subdivision certifies to the department that the provider has met all of the specifications of the original bid.

(ii) If the political subdivision does not certify to the department that the provider has met all of the specifications of the original bid, the department may not issue a renewal license and the political subdivision must enter into a public bid process under Sections 26-8a-405.1 and 26-8a-405.2.

121 (c) (i) The department shall issue an additional renewal license to a provider who has  
122 already been issued a one-time renewal license under the provisions of Subsection (3)(b)(i) if  
123 the department and the political subdivision do not receive, prior to the expiration of the  
124 provider's license, written notice from an approved applicant informing the political  
125 subdivision of the approved applicant's desire to submit a bid for ambulance or paramedic  
126 service.

127 (ii) If the department and the political subdivision receive the notice in accordance with  
128 Subsection (3)(c)(i), the department may not issue a renewal license and the political  
129 subdivision must enter into a public bid process under Sections 26-8a-405.1 and 26-8a-405.2.

130 (4) The department shall issue a renewal license for an air ambulance provider upon  
131 the licensee's application for renewal and completion of the renewal requirements established  
132 by department rule.

133 (5) The department shall issue a renewal for a license for non-911 ground ambulance  
134 services under Section 26-8a-402.5 upon the licensee application for renewal and if the  
135 department finds that the licensee still meets the requirements of Section 26-8a-402.5.

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**Legislative Review Note**

**as of 1-24-06 2:05 PM**

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

**Office of Legislative Research and General Counsel**

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**Fiscal Note****Ambulance Services - Free Market Competition***31-Jan-06***Bill Number HB0331***3:10 PM*

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**State Impact**

The additional workload can be handled within the current fee structure.

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**Individual and Business Impact**

More organizations may qualify for licensure. The agency licensure is a one-time \$500 fee and a \$100 per vehicle fee annually.

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**Office of the Legislative Fiscal Analyst**