

Representative Michael E. Noel proposes the following substitute bill:

CONTRACTING FOR INTER-FACILITY

MEDICAL TRANSPORTS

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Michael E. Noel

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends the Utah Emergency Medical Services System Act.

Highlighted Provisions:

This bill:

- ▶ defines inter-facility transport;
- ▶ allows a political subdivision located within a county of the first or second class to issue a request for proposal for inter-facility transport services;
- ▶ allows a health care facility to contract with an inter-facility transport services provider who holds a license in a geographic service area in the state if:
 - the 911 ambulance provider for the geographic service area is not the political subdivision; and
 - a political subdivision has not issued an RFP for inter-facility transport;
- ▶ requires notice of a contract to be given to the department;
- ▶ establishes certain requirements for a limited inter-facility transport license;
- ▶ limits the marketing activities of an inter-facility transport provider; and
- ▶ defines certain activities as illegal activities.

Monies Appropriated in this Bill:



26 None

27 **Other Special Clauses:**

28 None

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **26-8a-102**, as last amended by Laws of Utah 2000, Chapter 305

32 **26-8a-401**, as enacted by Laws of Utah 1999, Chapter 141

33 **26-8a-402**, as last amended by Laws of Utah 2000, Chapter 1

34 **26-8a-404**, as last amended by Laws of Utah 2008, Chapter 382

35 **26-8a-405.1**, as last amended by Laws of Utah 2008, Chapter 360

36 **26-8a-405.2**, as last amended by Laws of Utah 2008, Chapter 360

37 **26-8a-405.3**, as last amended by Laws of Utah 2008, Chapter 382

38 **26-8a-413**, as last amended by Laws of Utah 2003, Chapter 213

39 **26-8a-502**, as last amended by Laws of Utah 2000, Chapter 1

40 **63I-1-226**, as last amended by Laws of Utah 2008, Chapters 60, 148 and renumbered

41 and amended by Laws of Utah 2008, Chapter 382

42 ENACTS:

43 **26-8a-405.4**, Utah Code Annotated 1953



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

46 Section 1. Section **26-8a-102** is amended to read:

47 **26-8a-102. Definitions.**

48 As used in this chapter:

49 (1) "Ambulance" means a ground, air, or water vehicle that:

50 (a) transports patients and is used to provide emergency medical services; and

51 (b) is required to obtain a permit under Section 26-8a-304 to operate in the state.

52 (2) "Ambulance provider" means an emergency medical service provider that:

53 (a) transports and provides emergency medical care to patients; and

54 (b) is required to obtain a license under Part 4, Ambulance and Paramedic Providers.

55 (3) "Committee" means the State Emergency Medical Services Committee created by

56 Section 26-1-7.

57 (4) "Direct medical observation" means in-person observation of a patient by a
58 physician, registered nurse, physician's assistant, or individual certified under Section
59 26-8a-302.

60 (5) "Emergency medical condition" means:

61 (a) a medical condition that manifests itself by symptoms of sufficient severity,
62 including severe pain, that a prudent layperson, who possesses an average knowledge of health
63 and medicine, could reasonably expect the absence of immediate medical attention to result in:

64 (i) placing the individual's health in serious jeopardy;

65 (ii) serious impairment to bodily functions; or

66 (iii) serious dysfunction of any bodily organ or part; or

67 (b) a medical condition that in the opinion of a physician or his designee requires direct
68 medical observation during transport or may require the intervention of an individual certified
69 under Section 26-8a-302 during transport.

70 (6) "Emergency medical service personnel":

71 (a) means an individual who provides emergency medical services to a patient and is
72 required to be certified under Section 26-8a-302; and

73 (b) includes a paramedic, medical director of a licensed emergency medical service
74 provider, emergency medical service instructor, and other categories established by the
75 committee.

76 (7) "Emergency medical service providers" means:

77 (a) licensed ambulance providers and paramedic providers;

78 (b) a facility or provider that is required to be designated under Section 26-8a-303; and

79 (c) emergency medical service personnel.

80 (8) "Emergency medical services" means medical services, transportation services, or
81 both rendered to a patient.

82 (9) "Emergency medical service vehicle" means a land, air, or water vehicle that is:

83 (a) maintained and used for the transportation of emergency medical personnel,
84 equipment, and supplies to the scene of a medical emergency; and

85 (b) required to be permitted under Section 26-8a-304.

86 (10) "Interested party" means:

87 (a) a licensed or designated emergency medical services provider that provides

88 emergency medical services within or in an area that abuts an exclusive geographic service area
89 that is the subject of an application submitted pursuant to Part 4, Ambulance and Paramedic
90 Providers;

91 (b) any municipality, county, or fire district that lies within or abuts a geographic
92 service area that is the subject of an application submitted pursuant to Part 4, Ambulance and
93 Paramedic Providers; or

94 (c) the department when acting in the interest of the public.

95 (11) "Inter-facility transport" means the transport of a patient from one facility to
96 another facility:

97 (a) if the transport is requested and scheduled by either the sending or receiving
98 facility:

99 (b) if the requesting facility or the receiving facility is:

100 (i) one of the following facilities licensed by the department under Chapter 21, Health
101 Care Facility Licensing and Inspection Act:

102 (A) a general acute hospital;

103 (B) a specialty hospital;

104 (C) a small health care facility;

105 (D) a nursing care facility; or

106 (E) an ambulatory surgical facility; or

107 (ii) a mental health facility as defined in Section 62A-15-602; and

108 (c) if the sending facility is located within the geographic service area in which the
109 inter-facility transporter has a license.

110 [~~H~~] (12) "Medical control" means a person who provides medical supervision to an
111 emergency medical service provider.

112 [~~12~~] (13) "Paramedic provider" means an entity that:

113 (a) employs emergency medical service personnel; and

114 (b) is required to obtain a license under Part 4, Ambulance and Paramedic Providers.

115 [~~13~~] (14) "Patient" means an individual who, as the result of illness or injury, meets
116 any of the criteria in Section 26-8a-305.

117 [~~14~~] (15) "Trauma" means an injury requiring immediate medical or surgical
118 intervention.

119 [~~(15)~~] (16) "Trauma system" means a single, statewide system that:

120 (a) organizes and coordinates the delivery of trauma care within defined geographic
121 areas from the time of injury through transport and rehabilitative care; and

122 (b) is inclusive of all prehospital providers, hospitals, and rehabilitative facilities in
123 delivering care for trauma patients, regardless of severity.

124 [~~(16)~~] (17) "Triage" means the sorting of patients in terms of disposition, destination,
125 or priority. For prehospital trauma victims, triage requires a determination of injury severity to
126 assess the appropriate level of care according to established patient care protocols.

127 [~~(17)~~] (18) "Triage, treatment, transportation, and transfer guidelines" means written
128 procedures that:

129 (a) direct the care of patients; and

130 (b) are adopted by the medical staff of an emergency patient receiving facility, trauma
131 center, or an emergency medical service provider.

132 Section 2. Section **26-8a-401** is amended to read:

133 **26-8a-401. State regulation of emergency medical services market.**

134 (1) To ensure emergency medical service quality and minimize unnecessary
135 duplication, the department shall regulate the emergency medical service market after October
136 1, 1999, by creating and operating a statewide system that:

137 (a) except as provided in Section 26-8a-405.4, consists of exclusive geographic service
138 areas as provided in Section 26-8a-402; and

139 (b) establishes maximum rates as provided in Section 26-8a-403.

140 (2) (a) All licenses issued prior to July 1, 1996, shall expire as stated in the license.

141 (b) If no expiration date is stated on a license issued before July 1, 1996, the license
142 shall expire on October 1, 1999, unless:

143 (i) the license holder requests agency action before August 1, 1999; and

144 (ii) before October 1, 1999, the department:

145 (A) finds the license has been used as the basis for responding to requests for
146 ambulance or paramedic services during the past five years;

147 (B) identifies one or more specific geographic areas covered by the license in which the
148 license holder has actively and adequately responded as the primary provider to requests for
149 ambulance or paramedic services during the past five years; and

150 (C) determines that the continuation of a license in a specific geographic area identified
151 in Subsection (2)(b)(ii)(B) satisfies:

152 (I) the standards established pursuant to Subsection 26-8a-404(2); and

153 (II) the requirement of public convenience and necessity.

154 (c) If the department finds that a license meets the requirements of Subsection (2)(b),
155 the department shall amend the license to reflect:

156 (i) the specific geographic area of the license; and

157 (ii) a four-year term extension.

158 (d) Before July 1, 1999, the department shall publish notice once a week for four
159 consecutive weeks of the expiration of licenses pursuant to Subsection (2)(b) in a newspaper of
160 general circulation in the state.

161 (e) Nothing in this Subsection (2) may be construed as restricting the authority of the
162 department to amend overlapping licenses pursuant to Section 26-8a-416.

163 (3) After October 1, 1999, new licenses and license renewals shall be for a four-year
164 term.

165 Section 3. Section **26-8a-402** is amended to read:

166 **26-8a-402. Exclusive geographic service areas.**

167 (1) (a) [Each] Except as provided in Section 26-8a-405.4, each ground ambulance
168 provider license issued under this part shall be for an exclusive geographic service area as
169 described in the license~~[-Only]~~.

170 (b) Except as provided in Subsection (5), and Sections 26-8a-405.4 and 26-8a-416, the
171 licensed ground ambulance provider may respond to an ambulance request that originates
172 within the provider's exclusive geographic service area~~[-except as provided in Subsection (5)~~
173 ~~and Section 26-8a-416]~~.

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

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

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

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

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

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

190 (5) Notwithstanding Subsection (1), a licensed ground ambulance provider may
191 respond to an ambulance request that originates from the exclusive geographic service area of
192 another provider:

193 (a) pursuant to a mutual aid agreement;

194 (b) to render assistance on a case-by-case basis to that provider; and

195 (c) as necessary to meet needs in time of disaster or other major emergency.

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

199 (a) pursuant to a mutual aid agreement;

200 (b) to render assistance on a case-by-case basis to that provider; and

201 (c) as necessary to meet needs in time of disaster or other major emergency.

202 Section 4. Section **26-8a-404** is amended to read:

203 **26-8a-404. Ground ambulance and paramedic licenses -- Application and**
204 **department review.**

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

207 (a) submitting a completed application;

208 (b) providing information in the format required by the department; and

209 (c) paying the required fees, including the cost of the hearing officer.

210 (2) The department shall make rules establishing minimum qualifications and
211 requirements for:

- 212 (a) personnel;
- 213 (b) capital reserves;
- 214 (c) equipment;
- 215 (d) a business plan;
- 216 (e) operational procedures;
- 217 (f) medical direction agreements;
- 218 (g) management and control; and
- 219 (h) other matters that may be relevant to an applicant's ability to provide ground
220 ambulance or paramedic service.

221 (3) An application for a license to provide ground ambulance service or paramedic
222 service shall be for all ground ambulance services or paramedic services arising within the
223 geographic service area, except that:

224 (a) an applicant may apply for a license for less than all ground ambulance services or
225 less than all paramedic services arising within an exclusive geographic area if [it] the applicant
226 can demonstrate how the remainder of [~~that~~] the geographic service area will be served; and

227 (b) an applicant may apply for a license for inter-facility transfers only under Section
228 26-8a-405.4 if the applicant can demonstrate how the remainder of the geographic service area
229 will be served.

230 (4) (a) A ground ambulance service licensee may apply to the department for a license
231 to provide a higher level of service as defined by department rule if:

232 (i) the application for the license is limited to non-911 ambulance or paramedic
233 services; and

234 (ii) the application includes:

235 (A) a copy of the new treatment protocols for the higher level of service approved by
236 the off-line medical director;

237 (B) an assessment of field performance by the applicant's off-line director; and

238 (C) an updated plan of operation demonstrating the ability of the applicant to provide
239 the higher level of service.

240 (b) If the department determines that the applicant has demonstrated the ability to
241 provide the higher level of service in accordance with Subsection (4)(a), the department shall
242 issue a revised license reflecting the higher level of service and the requirements of Section

243 26-8a-408 do not apply.

244 (5) Upon receiving a completed application and the required fees, the department shall
245 review the application and determine whether the application meets the minimum
246 qualifications and requirements for licensure.

247 (6) The department may deny an application if it finds that it contains any materially
248 false or misleading information, is incomplete, or if the application demonstrates that the
249 applicant fails to meet the minimum qualifications and requirements for licensure under
250 Subsection (2).

251 (7) If the department denies an application, it shall notify the applicant in writing
252 setting forth the grounds for the denial. A denial may be appealed under Title 63G, Chapter 4,
253 Administrative Procedures Act.

254 Section 5. Section **26-8a-405.1** is amended to read:

255 **26-8a-405.1. Selection of provider by political subdivision -- 911 providers --**
256 **Inter-facility transport providers.**

257 (1) For purposes of this section and Sections 26-8a-405.2 [~~and 26-8a-405.3~~] through
258 26-8a-405.4:

259 (a) "911 ambulance or paramedic services" means either 911 ambulance service, or 911
260 paramedic service, or both and:

261 (i) means a response to a 911 call received by a designated dispatch center that receives
262 911 or E911 calls; and

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

265 (b) "Governing body" means:

266 (i) in the case of a municipality or county, the elected council, commission, or other
267 legislative body that is vested with the legislative power of the municipality;

268 (ii) in the case of a special service district, local service district, or county service area,
269 each elected council, commission, or other legislative body that is vested with the legislative
270 power of the municipalities or counties that are members of the district or service area; and

271 (iii) in the case of a local district or special service district for fire protection or
272 interlocal entity, the board or other body vested with the power to adopt, amend, and repeal
273 rules, bylaws, policies, and procedures for the regulation of its affairs and the conduct of its

274 business.

275 (c) "Inter-facility transport" is as defined in Section 26-8a-102.

276 [~~(c)~~] (d) "Political subdivision" means:

277 (i) a city or town located in a county of the first or second class as defined in Section
278 17-50-501;

279 (ii) a county of the first or second class;

280 (iii) the following districts located in a county of the first or second class:

281 (A) a special service district created under Title 17D, Chapter 1, Special Service
282 District Act; and

283 (B) a local district under Title 17B, Limited Purpose Local Government Entities -
284 Local Districts, for the purpose of providing fire protection, paramedic, and emergency
285 services; [~~or~~]

286 (iv) areas coming together as described in Subsection 26-8a-405.2(2)(b)(ii);

287 (v) municipalities and counties joining together pursuant to Title 11, Chapter 13,
288 Interlocal Cooperation Act; or

289 (vi) a special service district for fire protection service under Subsection 17D-1-201(9).

290 (2) (a) Only an applicant approved under Section 26-8a-405 may respond to a request
291 for a proposal for 911 ambulance or paramedic services or inter-facility transport services
292 issued in accordance with Section 26-8a-405.2 by a political subdivision.

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

295 (c) (i) A political subdivision may award a contract to an applicant for:

296 (A) the provision of 911 ambulance or paramedic services[+];

297 (B) the provision of inter-facility transport services; or

298 (C) the provision of both:

299 (I) inter-facility transport services; and

300 (II) 911 ambulance or paramedic services.

301 (ii) A contract awarded under Subsection (2)(c)(i):

302 [~~(i)~~] (A) shall be awarded in accordance with Section 26-8a-405.2; and

303 [~~(ii)~~] (B) is subject to Subsection (3).

304 (3) (a) The department shall issue a license to an applicant selected by a political

305 subdivision under Subsection (2) unless the department finds that issuing a license to that
 306 applicant would jeopardize the health, safety, and welfare of the citizens of the geographic
 307 service area.

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

309 (i) is for the exclusive geographic service area approved by the department in
 310 accordance with Subsection 26-8a-405.2(2);

311 (ii) is valid for four years;

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

315 (iv) is subject to supervision by the department under Sections 26-8a-503 and
 316 26-8a-504.

317 (4) Except as provided in Subsection 26-8a-405.3(4)(a), the provisions of Sections
 318 26-8a-406 through 26-8a-409 do not apply to a license issued under this section.

319 Section 6. Section **26-8a-405.2** is amended to read:

320 **26-8a-405.2. Selection of provider -- Request for competitive sealed proposal --**
 321 **Public convenience and necessity.**

322 (1) (a) (i) A political subdivision may, in accordance with Subsection (1)(a)(ii),
 323 contract with an applicant approved under Section 26-8a-404 to provide:

324 (A) 911 ambulance or paramedic services;

325 (B) inter-facility transport services; or

326 (C) both:

327 (I) 911 ambulance or paramedic services; and

328 (II) inter-facility transport services.

329 (ii) The contract entered into under Subsection (1)(a)(i):

330 (A) shall be for the geographic service area that is approved by the department in
 331 accordance with Subsection (2)~~], if the political subdivision complies];~~ and

332 (B) must be in compliance with the provisions of this section and Section 26-8a-405.3.

333 (b) The provisions of this section and Sections 26-8a-405.1 and 26-8a-405.3 do not
 334 require a political subdivision to issue a request for proposal for ambulance or paramedic
 335 services or for inter-facility transport services. If a political subdivision does not contract with

336 an applicant in accordance with this section and Section 26-8a-405.3, the provisions of
337 Sections 26-8a-406 through 26-8a-409 apply to the issuance of a license for ambulance or
338 paramedic services or for inter-facility transport services in the geographic service area that is
339 within the boundaries of the political subdivision.

340 (c) (i) For purposes of this Subsection (1)(c):

341 (A) "Local district" means a local district under Title 17B, Limited Purpose Local
342 Government Entities - Local Districts, that:

343 (I) is located in a county of the first or second class; and

344 (II) provides fire protection, paramedic, and emergency services.

345 (B) "Participating municipality" means a city or town whose area is partly or entirely
346 included within a county service area or local district.

347 (C) "Participating county" means a county whose unincorporated area is partly or
348 entirely included within a local district.

349 (ii) A participating municipality or participating county may contract with a provider
350 for 911 ambulance or paramedic service as provided in this section and Section 26-8a-405.3.

351 (iii) If the participating municipality or participating county contracts with a provider
352 for 911 ambulance or paramedic services under this section and Section 26-8a-405.3:

353 (A) the local district is not obligated to provide the ambulance or paramedic services
354 that are included in the contract between the participating municipality or the participating
355 county and the 911 ambulance or paramedic provider;

356 (B) the local district may impose taxes and obligations within the local district in the
357 same manner as if the participating municipality or participating county were receiving all
358 services offered by the local district; and

359 (C) the participating municipality's and participating county's obligations to the local
360 district are not diminished.

361 (2) (a) The political subdivision shall submit the request for proposal and the exclusive
362 geographic service area to be included in the request for proposal to the department for
363 approval prior to issuing the request for proposal. The department shall approve the request for
364 proposal and the exclusive geographic service area:

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

366 (ii) in accordance with Subsections (2)(b) and (c).

- 367 (b) The exclusive geographic service area may:
- 368 (i) include the entire geographic service area that is within the political subdivision's
- 369 boundaries;
- 370 (ii) include islands within or adjacent to other peripheral areas not included in the
- 371 political subdivision that governs the geographic service area; or
- 372 (iii) exclude portions of the geographic service area within the political subdivision's
- 373 boundaries if another political subdivision or licensed provider agrees to include the excluded
- 374 area within their license.

375 (c) (i) The proposed geographic service area for 911 ambulance or paramedic service

376 or for inter-facility transport services must:

377 (A) demonstrate that non-911 ambulance or paramedic service will be provided in the

378 geographic service area, either by the current provider, the applicant, or some other method

379 acceptable to the department[-] if the request for proposal is only for 911 ambulance or

380 paramedic services; or

381 (B) if the request for proposal is for only inter-facility transport services, the proposed

382 geographic service area must demonstrate that 911 ambulance or paramedic services will be

383 provided in the geographic service area, either by the current provider, the applicant, or some

384 other method acceptable to the department.

385 (ii) The department may consider the effect of the proposed geographic service area on

386 the costs to the [~~non-911~~]:

387 (A) inter-facility transport provider and that provider's ability to provide only

388 [~~non-911~~] inter-facility transport services in the proposed area[-], if the request for proposal is

389 for 911 ambulance and paramedic services only; or

390 (B) the 911 ambulance provider and paramedic service provider, if the request for

391 proposal is for inter-facility transport services only.

392 Section 7. Section **26-8a-405.3** is amended to read:

393 **26-8a-405.3. Use of competitive sealed proposals -- Procedure -- Appeal rights.**

394 (1) (a) Competitive sealed proposals [~~for paramedic or 911 ambulance services~~] under

395 Section 26-8a-405.2 shall be solicited through a request for proposal and the provisions of this

396 section.

397 (b) The governing body of the political subdivision shall approve the request for

398 proposal prior to the notice of the request for proposals under Subsection (1)(c).

399 (c) Notice of the request for proposals must be published at least once a week for three
400 consecutive weeks in a newspaper of general circulation published in the county, or if there is
401 no such newspaper, then notice must be posted for at least 20 days in at least five public places
402 in the county.

403 (2) (a) Proposals shall be opened so as to avoid disclosure of contents to competing
404 offerors during the process of negotiations.

405 (b) (i) Subsequent to the published notice, and prior to selecting an applicant, the
406 political subdivision must hold a presubmission conference with interested applicants for the
407 purpose of assuring full understanding of, and responsiveness to, solicitation requirements.

408 (ii) A political subdivision shall allow at least 90 days from the presubmission
409 conference for the proposers to submit proposals.

410 (c) Subsequent to the presubmission conference, the political subdivision may issue
411 addenda to the request for proposals. An addenda to a request for proposal must be finalized
412 and posted by the political subdivision at least 45 days prior to the date on which the proposal
413 must be submitted.

414 (d) Offerors to the request for proposals shall be accorded fair and equal treatment with
415 respect to any opportunity for discussion and revisions of proposals, and revisions may be
416 permitted after submission and before a contract is awarded for the purpose of obtaining best
417 and final offers.

418 (e) In conducting discussions, there shall be no disclosures of any information derived
419 from proposals submitted by competing offerors.

420 (3) (a) (i) A political subdivision may select an applicant approved by the department
421 under Section 26-8a-404 [~~to provide 911 ambulance or paramedic services~~] by contract to the
422 most responsible offeror as defined in Subsection 63G-6-103(24).

423 (ii) An award under Subsection (3)(a)(i) shall be made to the responsible offeror whose
424 proposal is determined in writing to be the most advantageous to the political subdivision,
425 taking into consideration price and the evaluation factors set forth in the request for proposal.

426 (b) The applicants who are approved under Section 26-8a-405 and who are selected
427 under this section may be the political subdivision issuing the request for competitive sealed
428 proposals, or any other public entity or entities, any private person or entity, or any

429 combination thereof.

430 (c) A political subdivision may reject all of the competitive proposals.

431 (4) In seeking competitive sealed proposals and awarding contracts under this section,
432 a political subdivision:

433 (a) shall apply the public convenience and necessity factors listed in Subsections
434 26-8a-408(2) through (6);

435 (b) shall require the applicant responding to the proposal to disclose how the applicant
436 will meet performance standards in the request for proposal;

437 (c) may not require or restrict an applicant to a certain method of meeting the
438 performance standards, including:

439 (i) requiring ambulance medical personnel to also be a firefighter; or

440 (ii) mandating that offerors use fire stations or dispatch services of the political
441 subdivision;

442 (d) (i) shall require an applicant to submit the proposal based on full cost accounting in
443 accordance with generally accepted accounting principals; and

444 (ii) if the applicant is a governmental entity, in addition to the requirements of
445 Subsection (4)(e)(i), in accordance with generally accepted government auditing standards and
446 in compliance with the State of Utah Legal Compliance Audit Guide; and

447 (e) shall set forth in the request for proposal:

448 (i) the method for determining full cost accounting in accordance with generally
449 accepted accounting principles, and require an applicant to submit the proposal based on such
450 full cost accounting principles;

451 (ii) guidelines established to further competition and provider accountability; and

452 (iii) a list of the factors that will be considered by the political subdivision in the award
453 of the contract, including by percentage, the relative weight of the factors established under this
454 Subsection (4)(e), which may include such things as:

455 (A) response times;

456 (B) staging locations;

457 (C) experience;

458 (D) quality of care; and

459 (E) cost, consistent with the cost accounting method in Subsection (4)(e)(i).

460 (5) (a) Notwithstanding the provisions of Subsection 63G-6-104(3), the provisions of
461 Title 63G, Chapter 6, Part 8, Legal and Contractual Remedies, apply to the procurement
462 process required by this section, except as provided in Subsection (5)(c).

463 (b) The Procurement Appeals Board created in Section 63G-6-807 shall have
464 jurisdiction to review and determine an appeal of an offeror under this section in the same
465 manner as provided in Section 63G-6-810.

466 (c) (i) An offeror may appeal the solicitation or award as provided by the political
467 subdivision's procedures. After all political subdivision appeal rights are exhausted, the offeror
468 may appeal under the provisions of Subsections (5)(a) and (b).

469 (ii) The factual determination required by Subsection 63G-6-813(1) shall be based on
470 whether the solicitation or award was made in accordance with the procedures set forth in this
471 section and Section 26-8a-405.2.

472 (d) The determination of an issue of fact by the appeals board shall be final and
473 conclusive unless arbitrary and capricious or clearly erroneous as provided in Section
474 63G-6-813.

475 Section 8. Section ~~26-8a-405.4~~ is enacted to read:

476 **26-8a-405.4. Inter-facility transport services -- Limited Scope License.**

477 (1) This section applies only to a geographic service area in which:

478 (a) the E-911 ambulance provider is not a political subdivision; and

479 (b) the political subdivision has not issued a request for proposal for inter-facility
480 transport services.

481 (2) For purposes of this section:

482 (a) "Geographic licensee" means the ambulance or paramedic service provider or
483 inter-facility provider who holds the exclusive license for the geographic service area pursuant
484 to this chapter.

485 (b) "Health care facility" means a facility:

486 (i) listed in Subsection 26-8a-102(11)(b); and

487 (ii) which is located in a county of the first or second class as defined by Section
488 17-50-501.

489 (c) "Limited license holder" means an inter-facility transport provider who:

490 (i) has a written contract with a health care facility to provide inter-facility transport

491 from the health care facility; and
492 (ii) obtains a limited scope license under the provisions of this section.
493 (3) (a) Beginning July 1, 2011, a health care facility may enter into a contract for
494 inter-facility transport with an ambulance or paramedic provider or inter-facility transport
495 provider who holds a license under this chapter in any geographic service area in the state if:
496 (i) the licensed provider is not:
497 (A) a political subdivision as defined in Section 26A-8a-405.1; and
498 (B) applying for a license to provide services outside of the geographic area of the
499 political subdivision;
500 (ii) the contract is for inter-facility transport only;
501 (iii) the contracting health care facility is the sending facility; and
502 (iv) the contract:
503 (A) is in writing;
504 (B) specifies the circumstances under which the inter-facility transport provider will
505 provide services and the scope of services; and
506 (C) is submitted to the department.
507 (b) A sending health care facility shall implement the policies and procedures
508 established by the local emergency medical services agency and the agency's medical director
509 for medical direction and dispatching of inter-facility transfers.
510 (4) The department shall issue a limited scope inter-facility transport license to a
511 provider selected by a health care facility under Subsection (3) if:
512 (a) the department receives the written contract for inter-facility transport services;
513 (b) the department determines that a political subdivision did not choose to issue a
514 request for proposal for inter-facility transport services under Sections 26-8a-405.1 through
515 26-8a-405.3; and
516 (c) the requirements of this section and Section 26-8a-404 are met.
517 (5) The following shall not apply to an application for a limited inter-facility transport
518 license under this section:
519 (a) Section 26-8a-406;
520 (b) Section 26-8a-407;
521 (c) Section 26-8a-408; and

- 522 (d) Section 26-8a-409.
- 523 (6) The license issued by the department under this section:
- 524 (a) is a non-exclusive license limited to transporting a person from a sending health
- 525 care facility that has a contract with the limited license holder to another health care facility;
- 526 (b) is valid for the lesser of:
- 527 (i) a period of four years; or
- 528 (ii) the term of the contract with the sending health care facility;
- 529 (c) is subject to department supervision under Section 26-8a-504; and
- 530 (d) may be renewed pursuant to Subsection 26-8a-413(2).
- 531 (7) A limited license holder under this section:
- 532 (a) must provide inter-facility transport services in response to a request for services
- 533 originating from the sending health care facility with which it has a contract unless:
- 534 (i) the limited license holder receives notice from the sending facility that another
- 535 licensed ambulance or paramedic service provider, or another licensed inter-facility transport
- 536 provider, is responding to the request for inter-facility transport; or
- 537 (ii) the limited license holder lacks sufficient resources to respond to the request for
- 538 inter-facility transport services and the limited license holder secures another licensed
- 539 ambulance or paramedic service provider, or another licensed inter-facility transport provider,
- 540 to respond to the request for inter-facility transport;
- 541 (b) may only transport patients from a health care facility when scheduled by the
- 542 sending facility with which it has a contract; and
- 543 (c) shall, when responding to a request for transport that should be a 911 ambulance or
- 544 paramedic response under the policies and procedures established by the local emergency
- 545 medical services agency:
- 546 (i) use a priority dispatch system, if available, to gather and transmit information to the
- 547 local 911 dispatch that is sufficient for the appropriate dispatch of resources; or
- 548 (ii) if a priority dispatch system is not available, transmit to the local 911 dispatch
- 549 center the location of the incident, call back information, and any other information available
- 550 for the appropriate dispatch of resources.
- 551 (8) (a) A geographic licensee must respond to a request for inter-facility transport from
- 552 any requesting health care facility within the licensee's exclusive geographic service area.

553 (b) The provisions of Subsection (8)(a) apply when:
554 (i) the requesting health care facility is a receiving facility;
555 (ii) the requesting health care facility is a sending facility without a contract with a
556 limited license holder; or
557 (iii) the requesting facility is a sending facility that:
558 (A) has a contract with a limited license holder; and
559 (B) notifies the geographic licensee that the limited license holder is not able to
560 respond due to circumstances described in Subsection (6).

561 Section 9. Section **26-8a-413** is amended to read:

562 **26-8a-413. License renewals.**

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

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

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

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

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

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

575 (e) if the applicant was licensed under the provisions of Sections 26-8a-406 through
576 26-8a-409, no conflicting license application.

577 (3) (a) (i) The provisions of this Subsection (3) apply to a provider licensed under the
578 provisions of Sections 26-8a-405.1~~[-and 26-8a-405.2]~~ through 26-8a-405.4.

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

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

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

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

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

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

600 Section 10. Section **26-8a-502** is amended to read:

601 **26-8a-502. Illegal activity.**

602 (1) Except as provided in Section 26-8a-308, a person may not:

603 (a) practice or engage in the practice, represent himself to be practicing or engaging in
604 the practice, or attempt to practice or engage in the practice of any activity that requires a
605 license, certification, or designation under this chapter unless that person is so licensed,
606 certified, or designated; or

607 (b) offer an emergency medical service that requires a license, certificate, or
608 designation unless the person is so licensed, certified, or designated.

609 (2) A person may not advertise or hold himself out as one holding a license,
610 certification, or designation required under this chapter, unless that person holds the license,
611 certification, or designation.

612 (3) A person may not employ or permit any employee to perform any service for which
613 a license or certificate is required by this chapter, unless the person performing the service
614 possesses the required license or certificate.

615 (4) A person may not wear, display, sell, reproduce, or otherwise use any Utah
616 Emergency Medical Services insignia without authorization from the department.

617 (5) A person may not reproduce or otherwise use materials developed by the
618 department for certification or recertification testing or examination without authorization from
619 the department.

620 (6) A person may not willfully summon an ambulance or emergency response vehicle
621 or report that one is needed when such person knows that the ambulance or emergency
622 response vehicle is not needed.

623 (7) A licensed inter-facility transport provider shall not advertise, market, or solicit any
624 person to use a number other than 911 to obtain emergency 911 ambulance or paramedic
625 services.

626 (8) A person may not violate the provisions of Subsections 26-8a-405.4(7) and (8).

627 [~~7~~] (9) A person who violates this section is subject to Section 26-23-6.

628 Section 11. Section **63I-1-226** is amended to read:

629 **63I-1-226. Repeal dates, Title 26.**

630 (1) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed July
631 1, 2015.

632 (2) Section 26-18-12, Expansion of 340B drug pricing programs, is repealed July 1,
633 2013.

634 (3) Title 26, Chapter 23b, Detection of Public Health Emergencies Act, is repealed July
635 1, 2009.

636 (4) Title 26, Chapter 33a, Utah Health Data Authority Act, is repealed July 1, 2014.

637 (5) Section 26-21-23, Licensing of non-Medicaid nursing care facility beds, is repealed
638 July 1, 2011.

639 (6) Section 26-8a-405.5 is repealed July 1, 2010.

H.B. 273 2nd Sub. (Gray) - Contracting for Inter-facility Medical Transports

Fiscal Note

2009 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

To the extent that new providers are used to provide inter-facility medical transport, there will be a shift in revenues from current to new providers. Additionally, some current providers are local governments and they may see a reduction in revenues if they choose to allow other providers to operate in their service areas. Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals.
