

REFERENCE TITLE: certificates of operation; interfacility transports

State of Arizona
House of Representatives
Fifty-fourth Legislature
First Regular Session
2019

HB 2280

Introduced by
Representative Weninger

AN ACT

AMENDING SECTION 36-2201, ARIZONA REVISED STATUTES; AMENDING TITLE 36, CHAPTER 21.1, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 36-2212.01, 36-2212.02 AND 36-2212.03; AMENDING SECTIONS 36-2224, 36-2233, 36-2237, 36-2239, 36-2240, 36-2241 AND 36-2245, ARIZONA REVISED STATUTES; RELATING TO EMERGENCY MEDICAL SERVICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 36-2201, Arizona Revised Statutes, is amended to
3 read:

4 36-2201. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Administrative medical direction" means supervision of
7 emergency medical care technicians by a base hospital medical director,
8 administrative medical director or basic life support medical director.
9 For the purposes of this paragraph, "administrative medical director"
10 means a physician who is licensed pursuant to title 32, chapter 13 or 17
11 and who provides direction within the emergency medical services and
12 trauma system.

13 2. "Advanced emergency medical technician" means a person who has
14 been trained in an advanced emergency medical technician program certified
15 by the director or in an equivalent training program and who is certified
16 by the director to render services pursuant to section 36-2205.

17 3. "Advanced life support" means the level of assessment and care
18 identified in the scope of practice approved by the director for the
19 advanced emergency medical technician, emergency medical technician I-99
20 and paramedic.

21 4. "Advanced life support base hospital" means a health care
22 institution that offers general medical and surgical services, that is
23 certified by the director as an advanced life support base hospital and
24 that is affiliated by written agreement with a licensed ambulance service,
25 municipal rescue service, fire department, fire district or health
26 services district for medical direction, evaluation and control of
27 emergency medical care technicians.

28 5. "Ambulance" means any publicly or privately owned surface, water
29 or air vehicle, including a helicopter, that contains a stretcher and
30 necessary medical equipment and supplies pursuant to section 36-2202 and
31 that is especially designed and constructed or modified and equipped to be
32 used, maintained or operated primarily ~~for the transportation of~~ **TO**
33 **TRANSPORT** individuals who are sick, injured or wounded or who require
34 medical monitoring or aid. Ambulance does not include a surface vehicle
35 that is owned and operated by a private sole proprietor, partnership,
36 private corporation or municipal corporation for the emergency
37 transportation and in-transit care of its employees or a vehicle that is
38 operated to accommodate an incapacitated person or person with a
39 disability who does not require medical monitoring, care or treatment
40 during transport and that is not advertised as having medical equipment
41 and supplies or ambulance attendants.

42 6. "Ambulance attendant" means any of the following:

43 (a) An emergency medical technician, an advanced emergency medical
44 technician, an emergency medical technician I-99 or a paramedic whose

1 primary responsibility is the care of patients in an ambulance and who
2 meets the standards and criteria adopted pursuant to section 36-2204.

3 (b) An emergency medical responder who is employed by an ambulance
4 service operating under section 36-2202 and whose primary responsibility
5 is ~~the driving of~~ an ambulance.

6 (c) A physician who is licensed pursuant to title 32, chapter 13
7 or 17.

8 (d) A professional nurse who is licensed pursuant to title 32,
9 chapter 15 and who meets the state board of nursing criteria to care for
10 patients in the prehospital care system.

11 (e) A professional nurse who is licensed pursuant to title 32,
12 chapter 15 and whose primary responsibility is ~~the care of~~ CARING FOR
13 patients in an ambulance during an interfacility transport.

14 7. "Ambulance service" means a person who owns and operates one or
15 more ambulances.

16 8. "Basic life support" means the level of assessment and care
17 identified in the scope of practice approved by the director for the
18 emergency medical responder and emergency medical technician.

19 9. "Bureau" means the bureau of emergency medical services and
20 trauma system in the department.

21 10. "Centralized medical direction communications center" means a
22 facility that is housed within a hospital, medical center or trauma center
23 or a freestanding communication center that meets the following criteria:

24 (a) Has the ability to communicate with ambulance services and
25 emergency medical services providers rendering patient care outside of the
26 hospital setting via radio and telephone.

27 (b) Is staffed twenty-four hours a day seven days a week by at
28 least a physician licensed pursuant to title 32, chapter 13 or 17.

29 11. "Certificate of necessity" means a certificate that is issued
30 to an ambulance service by the department and that describes the
31 following:

32 (a) Service area.

33 (b) Level of service.

34 (c) Type of service.

35 (d) Hours of operation.

36 (e) Effective date.

37 (f) Expiration date.

38 (g) Legal name and address of the ambulance service.

39 (h) Any limiting or special provisions the director prescribes.

40 12. "CERTIFICATE OF OPERATION" MEANS A CERTIFICATE ISSUED TO AN
41 INTERFACILITY TRANSFER AMBULANCE SERVICE BY THE DEPARTMENT.

42 ~~12.~~ 13. "Council" means the emergency medical services council.

43 ~~13.~~ 14. "Department" means the department of health services.

44 ~~14.~~ 15. "Director" means the director of the department of health
45 services.

1 ~~15.~~ 16. "Emergency medical care technician" means an individual
2 who has been certified by the department as an emergency medical
3 technician, an advanced emergency medical technician, an emergency medical
4 technician I-99 or a paramedic.

5 ~~16.~~ 17. "Emergency medical responder" as an ambulance attendant
6 means a person who has been trained in an emergency medical responder
7 program certified by the director or in an equivalent training program and
8 who is certified by the director to render services pursuant to section
9 36-2205.

10 ~~17.~~ 18. "Emergency medical services" means those services required
11 following an accident or an emergency medical situation:

- 12 (a) For on-site emergency medical care.
- 13 (b) ~~For the transportation of~~ TO TRANSPORT the sick or injured by a
14 licensed ground or air ambulance.
- 15 (c) In ~~the use of~~ USING emergency communications media.
- 16 (d) In ~~the use of~~ USING emergency receiving facilities.
- 17 (e) In administering initial care and preliminary treatment
18 procedures by emergency medical care technicians.

19 ~~18.~~ 19. "Emergency medical services provider" means any
20 governmental entity, quasi-governmental entity or corporation, whether
21 public or private, that renders emergency medical services in this state.

22 ~~19.~~ 20. "Emergency medical technician" means a person who has been
23 trained in an emergency medical technician program certified by the
24 director or in an equivalent training program and who is certified by the
25 director as qualified to render services pursuant to section 36-2205.

26 ~~20.~~ 21. "Emergency receiving facility" means a licensed health
27 care institution that offers emergency medical services, is staffed
28 twenty-four hours a day and has a physician on call.

29 ~~21.~~ 22. "Fit and proper" means that the director determines that
30 an applicant for a certificate of necessity ~~OR A CERTIFICATE OF OPERATION~~
31 or a certificate holder has the expertise, integrity, fiscal competence
32 and resources to provide ambulance service in the service area ~~OR~~
33 ~~INTERFACILITY TRANSFER AMBULANCE SERVICE.~~

34 23. "INTERFACILITY TRANSFER AMBULANCE SERVICE" MEANS AN AMBULANCE
35 THAT OPERATES IN A COUNTY WITH A POPULATION OF MORE THAN THREE MILLION
36 PERSONS AND THAT IS USED EXCLUSIVELY FOR THE NONEMERGENCY GROUND
37 TRANSPORTATION OF PATIENTS FROM ONE HEALTH CARE INSTITUTION TO ANOTHER
38 HEALTH CARE INSTITUTION.

39 ~~22.~~ 24. "Medical record" means any patient record, including
40 clinical records, prehospital care records, medical reports, laboratory
41 reports and statements, any file, film, record or report or oral
42 statements relating to diagnostic findings, treatment or outcome of
43 patients, whether written, electronic or recorded, and any information
44 from which a patient or the patient's family might be identified.

1 ~~23.~~ 25. "National certification organization" means a national
2 organization that tests and certifies the ability of an emergency medical
3 care technician and whose tests are based on national education standards.
4 ~~24.~~ 26. "National education standards" means the emergency medical
5 services education standards of the United States department of
6 transportation or other similar emergency medical services education
7 standards developed by that department or its successor agency.
8 ~~25.~~ 27. "Paramedic" means a person who has been trained in a
9 paramedic program certified by the director or in an equivalent training
10 program and who is certified by the director to render services pursuant
11 to section 36-2205.
12 ~~26.~~ 28. "Physician" means any person licensed pursuant to title
13 32, chapter 13 or 17.
14 ~~27.~~ 29. "Stretcher van" means a vehicle that contains a stretcher
15 and that is operated to accommodate an incapacitated person or person with
16 a disability who does not require medical monitoring, aid, care or
17 treatment during transport.
18 ~~28.~~ 30. "Suboperation station" means a physical facility or
19 location at which an ambulance service ~~conducts operations for the~~
20 OPERATES TO dispatch ~~of~~ ambulances and personnel and that may be staffed
21 twenty-four hours a day or less as determined by system use.
22 ~~29.~~ 31. "Trauma center" means any acute care hospital that
23 provides in-house ~~twenty-four-hour~~ TWENTY-FOUR-HOUR daily dedicated trauma
24 surgical services AND that is designated pursuant to section 36-2225.
25 ~~30.~~ 32. "Trauma registry" means data collected by the department
26 on trauma patients and on the incidence, causes, severity, outcomes and
27 operation of a trauma system and its components.
28 ~~31.~~ 33. "Trauma system" means an integrated and organized
29 arrangement of health care resources having the specific capability to
30 perform triage, transport and provide care.
31 ~~32.~~ 34. "Validated testing procedure" means a testing procedure
32 that ~~is inclusive of~~ INCLUDES practical skills, or ~~an attestation of~~
33 ATTESTS practical skills proficiency on a form developed by the department
34 by the educational training program, identified pursuant to section
35 36-2204, paragraph 2, that is certified as valid by an organization
36 capable of determining testing procedure and testing content validity and
37 that is recommended by the medical direction commission and the emergency
38 medical services council before the director's approval.
39 ~~33.~~ 35. "Wheelchair van" means a vehicle that contains or that is
40 designed and constructed or modified to contain a wheelchair and that is
41 operated to accommodate an incapacitated person or A person with a
42 disability who does not require medical monitoring, aid, care or treatment
43 during transport.

1 Sec. 2. Title 36, chapter 21.1, article 1, Arizona Revised
2 Statutes, is amended by adding sections 36-2212.01, 36-2212.02 and
3 36-2212.03, to read:

4 36-2212.01. Certificate of operation to operate an
5 interfacility transfer ambulance service; fees;
6 exceptions

7 A. A PERSON MAY OPERATE AN INTERFACILITY TRANSFER AMBULANCE SERVICE
8 BY APPLYING TO THE DEPARTMENT ON A FORM PRESCRIBED BY THE DIRECTOR FOR A
9 CERTIFICATE OF OPERATION.

10 B. THE DIRECTOR SHALL ISSUE A CERTIFICATE OF OPERATION IF ALL OF
11 THE FOLLOWING APPLY:

12 1. THE INTERFACILITY TRANSFER AMBULANCE SERVICE HAS A CERTIFICATE
13 OF REGISTRATION ISSUED BY THE DEPARTMENT FOR AT LEAST ONE AMBULANCE
14 PURSUANT TO SECTION 36-2212.

15 2. THE DIRECTOR FINDS THAT THE APPLICANT IS FIT AND PROPER TO
16 PROVIDE THE SERVICE.

17 3. THE APPLICANT HAS PAID THE APPROPRIATE FEES PURSUANT TO SECTION
18 36-2240.

19 4. THE APPLICANT HAS FILED A SURETY BOND PURSUANT TO SECTION
20 36-2237.

21 C. A CERTIFICATE OF OPERATION ISSUED PURSUANT TO SUBSECTION B OF
22 THIS SECTION IS LIMITED TO INTERFACILITY TRANSFER AMBULANCE SERVICES.

23 D. THIS SECTION DOES NOT REQUIRE A CERTIFICATE OF OPERATION FOR:

24 1. VEHICLES AND PERSONS THAT ARE EXEMPT FROM A CERTIFICATE OF
25 REGISTRATION PURSUANT TO SECTION 36-2217.

26 2. AMBULANCE SERVICES OPERATING UNDER TEMPORARY AUTHORITY PURSUANT
27 TO SECTION 36-2242.

28 36-2212.02. Certificate of operation; initial term; renewal;
29 denial; terms

30 A. THE INITIAL CERTIFICATE OF OPERATION ISSUED PURSUANT TO SECTION
31 36-2212.01 TO AN INTERFACILITY TRANSFER AMBULANCE SERVICE IS FOR A TERM OF
32 ONE YEAR.

33 B. ON THE EXPIRATION OF A CERTIFICATE OF OPERATION, IF THE HOLDER
34 OF THE CERTIFICATE MEETS ALL OF THE REQUIREMENTS OF SECTION 36-2212.01,
35 APPLIES FOR A RENEWAL AND PAYS THE FEES PRESCRIBED IN SECTION 36-2240, THE
36 DIRECTOR SHALL RENEW THE CERTIFICATE FOR A TERM OF THREE YEARS UNLESS
37 CAUSE IS SHOWN TO SET A HEARING TO CONSIDER DENYING OR RENEWING FOR A
38 SHORTER TERM.

39 C. IF THE DIRECTOR DOES NOT ACT ON THE CERTIFICATE OF OPERATION
40 WITHIN NINETY DAYS BEFORE THE CERTIFICATE EXPIRES, THE CERTIFICATE IS
41 RENEWED FOR A PERIOD OF AT LEAST ONE YEAR. THE TERM OF THE CERTIFICATE OF
42 OPERATION SHALL BE EXTENDED TO THREE YEARS IF THE DIRECTOR DETERMINES THAT
43 CAUSE IS NOT ESTABLISHED FOR DENYING OR RENEWING FOR A SHORTER TERM.

1 C. A certificate of necessity issued pursuant to subsection B of
2 this section shall be for all or part of the service proposed by the
3 applicant as determined necessary by the director for public convenience
4 and necessity.

5 D. This section does not require a certificate of necessity for:

6 1. Vehicles and persons that are exempt from a certificate of
7 registration pursuant to section 36-2217.

8 2. Ambulance services operating under temporary authority pursuant
9 to section 36-2242.

10 E. The director may grant a service area by one or any combination
11 of the following descriptions:

12 1. Metes and bounds.

13 2. A city, town or political subdivision not limited to a specific
14 date. The merger or consolidation of two or more fire districts pursuant
15 to section 48-820 or 48-822 does not expand the service area boundaries of
16 an existing certificate of necessity.

17 3. A city, town or political subdivision as of a specific date that
18 does not include annexation.

19 Sec. 5. Section 36-2237, Arizona Revised Statutes, is amended to
20 read:

21 36-2237. Required insurance, financial responsibility or
22 bond; revocation of certificate for failure to
23 comply

24 A. The director shall not issue a certificate of necessity **OR**
25 **CERTIFICATE OF OPERATION** to an ambulance service **OR INTERFACILITY TRANSFER**
26 **AMBULANCE SERVICE** unless the service has filed with the department a
27 certificate of insurance or other evidence of financial responsibility in
28 an amount the director deems necessary to adequately protect the interests
29 of the public. The liability insurance shall bind the insurer to pay
30 compensation for injuries to persons and for loss or damage to property
31 resulting from the negligent operation of the ambulance service **OR**
32 **INTERFACILITY TRANSFER AMBULANCE SERVICE**.

33 B. If an application for a certificate of necessity includes any
34 type of subscription service contract and, in the director's discretion, a
35 surety bond is necessary pursuant to section 36-2232, the director shall
36 not issue a certificate of necessity until the applicant has filed a
37 surety bond with the director in the form and amount determined by ~~him~~ **THE**
38 **DIRECTOR** on which bond the applicant is the principal obligor and this
39 state is the obligee. The director shall approve the bond and the bond
40 must be with a surety company authorized to transact business in this
41 state as surety on the bond. The bond must be conditioned on ~~the payment~~
42 ~~by~~ the applicant ~~to~~ **PAYING** any subscribers that may be parties to any type
43 of subscription service contract.

1 C. The director shall fix the total amount of the bond required and
2 the director may increase or decrease the bond amount subject to criteria
3 adopted by rule ~~and regulation~~.

4 D. The director shall revoke the certificate of necessity of any
5 ambulance service ~~which~~ OR CERTIFICATE OF OPERATION OF ANY INTERFACILITY
6 TRANSFER AMBULANCE SERVICE THAT fails to comply with this section.

7 Sec. 6. Section 36-2239, Arizona Revised Statutes, is amended to
8 read:

9 36-2239. Ambulance services; interfacility transfer ambulance
10 services; rates; charges; adjustment

11 A. An ambulance service OR INTERFACILITY TRANSFER AMBULANCE SERVICE
12 that applies ~~for an adjustment in~~ TO ADJUST its rates or charges shall
13 automatically be granted a rate increase equal to the amount determined
14 under section 36-2234, subsection E, if the ambulance service OR
15 INTERFACILITY TRANSFER AMBULANCE SERVICE is so entitled. An automatic
16 rate adjustment that is granted pursuant to this subsection and that is
17 filed on or before April 1 is effective June 1 of that year. The
18 department shall notify the applicant and each health care services
19 organization as defined in section 20-1051 of the rate adjustment on or
20 before May 1 of that year.

21 B. Notwithstanding subsection E of this section, if the department
22 does not hold a hearing within ninety days after an ambulance service
23 ~~submits an application~~ OR INTERFACILITY TRANSFER AMBULANCE SERVICE APPLIES
24 to the department ~~for an adjustment of~~ TO ADJUST its rates or charges, the
25 ambulance service OR INTERFACILITY TRANSFER AMBULANCE SERVICE may adjust
26 its rates or charges to an amount not to exceed the amount sought by the
27 ambulance service OR INTERFACILITY TRANSFER AMBULANCE SERVICE in its
28 application to the department. An ambulance service OR INTERFACILITY
29 TRANSFER AMBULANCE SERVICE shall not apply ~~for an adjustment of~~ TO ADJUST
30 its rates or charges more than once every six months.

31 C. At the time ~~it~~ THE DEPARTMENT holds a hearing on the rates or
32 charges of an ambulance service OR INTERFACILITY TRANSFER AMBULANCE
33 SERVICE pursuant to section 36-2234, the department may adjust the rates
34 or charges adjusted by the ambulance service OR INTERFACILITY TRANSFER
35 AMBULANCE SERVICE pursuant to subsection B of this section, but the
36 adjustment shall not be retroactive.

37 D. Except as provided in subsection ~~H~~ J of this section, an
38 ambulance service OR INTERFACILITY TRANSFER AMBULANCE SERVICE shall not
39 charge, demand or collect any remuneration for any service greater or less
40 than or different from the rate or charge determined and fixed by the
41 department as the rate or charge for that service. An ambulance service
42 OR INTERFACILITY TRANSFER AMBULANCE SERVICE may charge for disposable
43 supplies, medical supplies and medication and oxygen related costs if the
44 charges do not exceed the manufacturer's suggested retail price, are
45 uniform throughout the ambulance service's OR INTERFACILITY TRANSFER

1 AMBULANCE SERVICE'S certificated area and are filed with the director. An
2 ambulance service OR INTERFACILITY TRANSFER AMBULANCE SERVICE shall not
3 refund or limit in any manner or by any device any portion of the rates or
4 charges for a service that the department has determined and fixed or
5 ordered as the rate or charge for that service.

6 E. The department shall determine and render its decision regarding
7 all rates or charges within ninety days after commencement of the
8 applicant's hearing for ~~an adjustment of~~ TO ADJUST rates or charges. If
9 the department does not render its decision as required by this
10 subsection, the ambulance service OR INTERFACILITY TRANSFER AMBULANCE
11 SERVICE may adjust its rates and charges to an amount that does not exceed
12 the amounts sought by the ambulance service OR INTERFACILITY TRANSFER
13 AMBULANCE SERVICE in its application to the department. If the department
14 renders a decision to adjust the rates or charges to an amount less than
15 that requested in the application and the ambulance service OR
16 INTERFACILITY TRANSFER AMBULANCE SERVICE has ~~made an adjustment to~~
17 ADJUSTED its rates and charges ~~that is~~ higher than the adjustment approved
18 by the department, within thirty days after the department's decision the
19 ambulance service OR INTERFACILITY TRANSFER AMBULANCE SERVICE shall refund
20 to the appropriate ratepayer the difference between the ~~ambulance~~
21 service's adjusted rates and charges and the rates and charges ordered by
22 the department. The ambulance service OR INTERFACILITY TRANSFER AMBULANCE
23 SERVICE shall provide evidence to the department that the refund has been
24 made. If the ambulance service OR INTERFACILITY TRANSFER AMBULANCE
25 SERVICE fails to comply with this subsection, the director may impose a
26 civil penalty subject to the ~~limitations~~ LIMITS provided in section
27 36-2245.

28 F. An ambulance service shall charge the advanced life support base
29 rate as prescribed by the director under any of the following
30 circumstances:

31 1. A person requests an ambulance by dialing telephone number 911,
32 or a similarly designated telephone number for emergency calls, and ~~the~~
33 ~~ambulance service meets~~ ALL OF the following APPLY:

34 (a) The ambulance is staffed with at least one ambulance attendant.

35 (b) The ambulance is equipped with all required advanced life
36 support medical equipment and supplies for the advanced life support
37 attendants in the ambulance.

38 (c) The patient receives advanced life support services or is
39 transported by the advanced life support unit.

40 2. Advanced life support is requested by a medical authority or by
41 the patient.

42 3. The ambulance attendants administer one or more specialized
43 treatment activities or procedures as prescribed by the department by
44 rule.

1 G. AN INTERFACILITY TRANSFER AMBULANCE SERVICE SHALL CHARGE THE
2 ADVANCED LIFE SUPPORT BASE RATE AS PRESCRIBED BY THE DIRECTOR UNDER ANY OF
3 THE FOLLOWING CIRCUMSTANCES:

4 1. A HOSPITAL REQUESTS AN AMBULANCE FROM AN INTERFACILITY TRANSFER
5 AMBULANCE SERVICE AND ALL OF THE FOLLOWING APPLY:

6 (a) THE AMBULANCE IS STAFFED WITH AT LEAST ONE AMBULANCE ATTENDANT.

7 (b) THE AMBULANCE IS EQUIPPED WITH ALL REQUIRED ADVANCED LIFE
8 SUPPORT MEDICAL EQUIPMENT AND SUPPLIES FOR THE ADVANCED LIFE SUPPORT
9 ATTENDANTS IN THE AMBULANCE.

10 (c) THE PATIENT RECEIVES ADVANCED LIFE SUPPORT SERVICES OR IS
11 TRANSPORTED BY THE ADVANCED LIFE SUPPORT UNIT.

12 2. ADVANCED LIFE SUPPORT IS REQUESTED BY A MEDICAL AUTHORITY.

13 3. THE AMBULANCE ATTENDANTS ADMINISTER ONE OR MORE SPECIALIZED
14 TREATMENT ACTIVITIES OR PROCEDURES AS PRESCRIBED BY THE DEPARTMENT BY
15 RULE.

16 ~~G.~~ H. An ambulance service shall charge the basic life support
17 base rate as prescribed by the director under any of the following
18 circumstances:

19 1. A person requests an ambulance by dialing telephone number 911,
20 or a similarly designated telephone number for emergency calls, and ~~the~~
21 ~~ambulance service meets~~ ALL OF the following APPLY:

22 (a) The ambulance is staffed with two ambulance attendants
23 certified by this state.

24 (b) The ambulance is equipped with all required basic life support
25 medical equipment and supplies for the basic life support medical
26 attendants in the ambulance.

27 (c) The patient receives basic life support services or is
28 transported by the basic life support unit.

29 2. Basic life support transportation or service is requested by a
30 medical authority or by the patient, unless any provision of subsection F
31 of this section applies, in which case the advanced life support rate
32 ~~shall apply~~ APPLIES.

33 I. AN INTERFACILITY TRANSFER AMBULANCE SERVICE SHALL CHARGE THE
34 BASIC LIFE SUPPORT BASE RATE AS PRESCRIBED BY THE DIRECTOR UNDER ANY OF
35 THE FOLLOWING CIRCUMSTANCES:

36 1. A HOSPITAL REQUESTS AN AMBULANCE FROM AN INTERFACILITY TRANSFER
37 AMBULANCE SERVICE AND ALL OF THE FOLLOWING APPLY:

38 (a) THE AMBULANCE IS STAFFED WITH TWO AMBULANCE ATTENDANTS
39 CERTIFIED BY THIS STATE.

40 (b) THE AMBULANCE IS EQUIPPED WITH ALL REQUIRED BASIC LIFE SUPPORT
41 MEDICAL EQUIPMENT AND SUPPLIES FOR THE BASIC LIFE SUPPORT MEDICAL
42 ATTENDANTS IN THE AMBULANCE.

43 (c) THE PATIENT RECEIVES BASIC LIFE SUPPORT SERVICES OR IS
44 TRANSPORTED BY THE BASIC LIFE SUPPORT UNIT.

1 2. BASIC LIFE SUPPORT TRANSPORTATION OR SERVICE IS REQUESTED BY A
2 MEDICAL AUTHORITY OR BY THE PATIENT, UNLESS ANY PROVISION OF SUBSECTION G
3 OF THIS SECTION APPLIES, IN WHICH CASE THE ADVANCED LIFE SUPPORT RATE
4 APPLIES.

5 ~~H~~. J. For each contract year, the Arizona health care cost
6 containment system administration and its contractors and subcontractors
7 shall provide remuneration for ambulance services for persons who are
8 enrolled in or covered by the Arizona health care cost containment system
9 in an amount equal to 68.59 percent of the amounts as prescribed by the
10 department as of July 1 of each year for services specified in subsections
11 F and ~~G~~ H of this section and 68.59 percent of the mileage charges as
12 determined by the department as of July 1 of each year pursuant to section
13 36-2232. The Arizona health care cost containment system administration
14 shall make annual adjustments to the Arizona health care cost containment
15 system fee schedule according to the department's approved ambulance
16 service rate in effect as of July 1 of each year. The rate adjustments
17 made pursuant to this subsection are effective beginning October 1 of each
18 year.

19 ~~I~~. K. In establishing rates and charges the director shall
20 consider the following factors:

21 1. The transportation needs assessment of the medical response
22 system in a political subdivision.

23 2. The medical care consumer price index of the United States
24 department of labor, bureau of labor statistics.

25 3. Whether a review is made by a local emergency medical services
26 coordinating system in regions where that system is designated as to the
27 appropriateness of the proposed service level.

28 4. The rate of return on gross revenue.

29 5. Response times pursuant to section 36-2232, subsection A,
30 paragraph 2.

31 ~~J~~. L. Notwithstanding section 36-2234, an ambulance service may
32 charge an amount for medical assessment, equipment or treatment that
33 exceeds the requirements of section 36-2205 if requested or required by a
34 medical provider or patient.

35 ~~K~~. M. Notwithstanding subsections D, F and ~~G~~ H of this section,
36 an ambulance service may provide gratuitous services if an ambulance is
37 dispatched and the patient subsequently declines to be treated or
38 transported.

39 Sec. 7. Section 36-2240, Arizona Revised Statutes, is amended to
40 read:

41 36-2240. Fees

42 Fees not to exceed the following amounts shall be paid by the owner
43 of an ambulance service OR INTERFACILITY TRANSFER AMBULANCE SERVICE to the
44 department for deposit in the state general fund to be available for

1 legislative appropriation in order to carry out ~~the provisions of~~ this
2 chapter:

3 1. ~~One hundred dollars upon filing an application~~ \$100 ON APPLYING
4 for a certificate of necessity OR CERTIFICATE OF OPERATION.

5 2. ~~Fifty dollars upon filing an application~~ \$50 ON APPLYING to
6 amend, transfer or renew a certificate of necessity OR CERTIFICATE OF
7 OPERATION.

8 3. ~~For the issuance of~~ TO ISSUE an initial certificate of necessity
9 OR CERTIFICATE OF OPERATION, ~~two hundred dollars~~ \$200 for each ambulance
10 proposed to be operated by the ambulance service OR INTERFACILITY TRANSFER
11 AMBULANCE SERVICE to which the certificate is granted.

12 4. An annual regulatory fee of ~~two hundred dollars~~ \$200 for each
13 ambulance issued a certificate of registration pursuant to section
14 36-2212, to be collected at the same time as the certificate of
15 registration fee imposed by section 36-2212.

16 Sec. 8. Section 36-2241, Arizona Revised Statutes, is amended to
17 read:

18 36-2241. Required records; inspection by the department;
19 rules

20 A. Pursuant to rules adopted by the director, an owner of an
21 ambulance service OR INTERFACILITY TRANSFER AMBULANCE SERVICE shall
22 maintain and keep within this state reasonable records, books and other
23 data the director requires to enforce ~~the provisions of~~ this article.
24 These records, books and other data shall not be destroyed for a period of
25 three years after they are recorded. The records, books and other data
26 shall be open to inspection by the department during reasonable office
27 hours if the department is conducting an investigation into the operation
28 of an ambulance service OR INTERFACILITY TRANSFER AMBULANCE SERVICE
29 pursuant to section 36-2245.

30 B. If the director is holding a public rate increase hearing
31 pursuant to section 36-2234, the department may inspect the records, books
32 and other data to verify the truth and accuracy of these documents. The
33 department shall ~~conduct the inspection of~~ INSPECT these documents for a
34 rate increase hearing only during reasonable office hours and only after
35 giving the AMBULANCE service OR INTERFACILITY TRANSFER AMBULANCE SERVICE
36 at least one working day's notice.

37 C. If an audit is required, the department shall accept a certified
38 audit that is performed by an independent auditor at the ~~provider's~~
39 AMBULANCE SERVICE'S OR INTERFACILITY TRANSFER AMBULANCE SERVICE'S expense
40 in place of a department audit if the audit:

41 1. Is conducted in accordance with generally accepted auditing
42 standards.

43 2. Includes findings regarding the ~~ambulance~~ service's compliance
44 with the schedule of rates and charges approved by the director.

45 3. Is completed and forwarded to the department in a timely manner.

1 Sec. 9. Section 36-2245, Arizona Revised Statutes, is amended to
2 read:

3 36-2245. Investigations; dispute resolution; informal
4 interviews; hearings; stipulations; civil penalty;
5 judicial review; confidentiality

6 A. The department may ~~conduct an investigation into~~ INVESTIGATE the
7 operation of ambulances, ~~and~~ ambulance services AND INTERFACILITY TRANSFER
8 AMBULANCE SERVICES.

9 B. Proceedings under this section may be initiated by the
10 department.

11 C. If the department receives a written and signed statement of
12 dissatisfaction or dispute of charges or any matter relating to ~~the~~
13 ~~regulation of~~ REGULATING ambulance services OR INTERFACILITY TRANSFER
14 AMBULANCE SERVICES, the customer is deemed to have filed an informal
15 complaint against the ~~ambulance~~ service. Within fifteen days ~~of receipt~~
16 ~~of~~ AFTER RECEIVING the complaint, a designated representative of the
17 department shall inform the ambulance service OR INTERFACILITY TRANSFER
18 AMBULANCE SERVICE that an informal complaint has been filed, state the
19 nature of the allegations made, specify the purported rule violation and
20 identify specific records relating to the purported rule violation that
21 the ~~ambulance~~ service ~~shall~~ MUST provide to the department. The ambulance
22 service OR INTERFACILITY TRANSFER AMBULANCE SERVICE shall comply with the
23 request for records in a timely manner.

24 D. Within forty-five days ~~of receipt of~~ AFTER RECEIVING the
25 records, the department shall determine ~~if~~ WHETHER the complaint is
26 nonsubstantive or substantive.

27 E. If the department determines that a complaint filed pursuant to
28 this section is nonsubstantive, it shall render a written decision to all
29 parties within five days ~~of~~ AFTER that determination. The complainant may
30 make a formal complaint to the department if the complainant disagrees
31 with the department's decision. If the nonsubstantive complaint involves
32 rates and charges, a designated representative of the department shall
33 attempt to resolve the dispute by correspondence or telephone with the
34 ambulance service OR INTERFACILITY TRANSFER AMBULANCE SERVICE and the
35 customer.

36 F. If the department determines that a complaint filed pursuant to
37 this section is substantive, the complaint becomes a formal complaint.
38 The department shall inform the ambulance service OR INTERFACILITY
39 TRANSFER AMBULANCE SERVICE that the initial investigation was substantive
40 in nature and may warrant action pursuant to this article. The department
41 shall inform the ambulance service OR INTERFACILITY TRANSFER AMBULANCE
42 SERVICE of the specific rule violation and shall allow the ~~ambulance~~
43 service thirty days to answer the complaint in writing.

44 G. The department may issue a written request for an informal
45 interview with the ambulance service OR INTERFACILITY TRANSFER AMBULANCE

1 SERVICE if the department believes that the evidence indicates that
2 grounds for action exist. The request shall state the reasons for the
3 interview and shall schedule an interview at least ten days ~~from~~ AFTER the
4 date that the department sends the request for an interview.

5 H. If the department determines that evidence warrants action or if
6 the ambulance service OR INTERFACILITY TRANSFER AMBULANCE SERVICE refuses
7 to attend the informal interview, the director shall institute formal
8 proceedings and hold a hearing pursuant to title 41, chapter 6,
9 article 10.

10 I. If the department believes that a lesser disciplinary action is
11 appropriate, the department may enter into a stipulated agreement with the
12 ambulance service OR INTERFACILITY TRANSFER AMBULANCE SERVICE. This
13 stipulation may include a civil penalty as provided under subsection J of
14 this section.

15 J. In addition to other disciplinary action provided under this
16 section, the director may impose a civil penalty of not more than ~~three~~
17 ~~hundred fifty dollars~~ \$350 for each violation of this chapter that
18 constitutes grounds to suspend or revoke a certificate of necessity. This
19 penalty shall not exceed ~~fifteen thousand dollars~~ \$15,000. Each day that
20 a violation occurs constitutes a separate offense. The director shall
21 deposit, pursuant to sections 35-146 and 35-147, all monies collected
22 under this subsection in the emergency medical services operating fund
23 established ~~under~~ BY section 36-2218.

24 K. The director may suspend a certificate of necessity OR
25 CERTIFICATE OF OPERATION without holding a hearing if the director
26 determines that the certificate holder has failed to pay a civil penalty
27 imposed under this section. The director shall reinstate the certificate
28 of necessity OR CERTIFICATE OF OPERATION when the certificate holder pays
29 the penalty in full.

30 L. Except as provided in section 41-1092.08, subsection H, a final
31 decision of the department pursuant to this section is subject to judicial
32 review pursuant to title 12, chapter 7, article 6.

33 M. Information, documents and records received by the department or
34 prepared by the department in connection with an investigation that is
35 conducted pursuant to this article and that relates to emergency medical
36 care technicians are confidential and are not subject to public inspection
37 or civil discovery. When the investigation has been completed and the
38 investigation file has been closed, the results of the investigation and
39 the decision of the department shall be available to the public.