

House Engrossed

ambulances; mileage rate calculation

State of Arizona  
House of Representatives  
Fifty-fifth Legislature  
Second Regular Session  
2022

**CHAPTER 217**

**HOUSE BILL 2407**

AN ACT

AMENDING SECTION 36-2232, 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 36-2232, Arizona Revised Statutes, is amended to  
3 read:

4 36-2232. Director; powers and duties; regulation of ambulance  
5 services; inspections; response time compliance;  
6 mileage rate calculation factors

7 A. The director shall adopt rules to regulate the operation of  
8 ambulances and ambulance services in this state. Each rule shall identify  
9 all sections and subsections of this chapter under which the rule was  
10 formulated. The rules shall provide for the department to do the  
11 following:

12 1. CONSISTENT WITH THE REQUIREMENTS OF SUBSECTION H OF THIS  
13 SECTION, determine, fix, alter and regulate just, reasonable and  
14 sufficient rates and charges for the provision of ambulances, including  
15 rates and charges for advanced life support service, basic life support  
16 service, patient loaded mileage, standby waiting, subscription service  
17 contracts and other contracts for services related to the provision of  
18 ambulances. ~~The director may establish a rate and charge structure as~~  
19 ~~defined by federal medicare guidelines for ambulance services.~~ The  
20 director shall inform all ambulance services of the procedures and  
21 methodology used to determine ambulance rates or charges.

22 2. Regulate operating and response times of ambulances to meet the  
23 needs of the public and to ensure adequate service. The rules adopted by  
24 the director for certificated ambulance service response times shall  
25 include uniform standards for urban, suburban, rural and wilderness  
26 geographic areas within the certificate of necessity based on, at a  
27 minimum, population density, geographic and medical considerations.

28 3. Determine, fix, alter and regulate bases of operation. The  
29 director may issue a certificate of necessity to more than one ambulance  
30 service within any base of operation. For the purposes of this paragraph,  
31 "base of operation" means a service area granted under a certificate of  
32 necessity.

33 4. Issue, amend, transfer, suspend or revoke certificates of  
34 necessity under terms consistent with this article.

35 5. Prescribe a uniform system of accounts to be used by ambulance  
36 services that conforms to standard accounting forms and principles for the  
37 ambulance industry and generally accepted accounting principles.

38 6. Require the filing of an annual financial report and other data.  
39 These rules shall require an ambulance service to file the report with the  
40 department not later than one hundred eighty days after the completion of  
41 its annual accounting period.

42 7. Regulate ambulance services in all matters affecting services to  
43 the public to the end that this article may be fully carried out.

44 8. Prescribe bonding requirements, if any, for ambulance services  
45 granted authority to provide any type of subscription service.

1           9. Offer technical assistance to ambulance services to maximize a  
2 healthy and viable business climate for the provision of ambulances.

3           10. Offer technical assistance to ambulance services in order to  
4 obtain or to amend a certificate of necessity.

5           11. Inspect, at a maximum of ~~twelve-month~~ TWELVE-MONTH intervals,  
6 each ambulance registered pursuant to section 36-2212 to ensure that the  
7 vehicle is operational and safe and that all required medical equipment is  
8 operational. At the request of the provider, the inspection may be  
9 performed by a facility approved by the director. If a provider requests  
10 that the inspection be performed by a facility approved by the director,  
11 the provider shall pay the cost of the inspection.

12           B. The director may require any ambulance service offering  
13 subscription service contracts to obtain a bond in an amount determined by  
14 the director that is based on the number of subscription service contract  
15 holders and to file the bond with the director ~~for the protection of TO~~  
16 PROTECT all subscription service contract holders in this state who are  
17 covered under that subscription contract.

18           C. An ambulance service shall:

19           1. Maintain, establish, add, move or delete suboperation stations  
20 within its base of operation to ensure that the ambulance service meets  
21 the established response times or those approved by the director in a  
22 political subdivision contract.

23           2. Determine the operating hours of its suboperation stations to  
24 provide for coverage of its base of operation.

25           3. Provide the department with a list of suboperation station  
26 locations.

27           4. Notify the department not later than thirty days after the  
28 ambulance service makes a change in the number or location of its  
29 suboperation stations.

30           D. At any time, the director or the director's agents may:

31           1. Inquire into the operation of an ambulance service, including a  
32 person operating an ambulance that has not been issued a certificate of  
33 registration or a person who does not have or is operating outside of a  
34 certificate of necessity.

35           2. Conduct on-site inspections of facilities, communications  
36 equipment, vehicles, procedures, materials and equipment.

37           3. Review the qualifications of ambulance attendants.

38           E. If all ambulance services that have been granted authority to  
39 operate within the same service area or that have overlapping certificates  
40 of necessity apply for uniform rates and charges, the director may  
41 establish uniform rates and charges for the service area.

42           F. In consultation with the medical director of the emergency  
43 medical services and trauma system, the emergency medical services council  
44 and the medical direction commission, the director of the department of  
45 health services shall establish protocols for ambulance services to refer

1 and advise a patient or transport a patient by the most appropriate means  
2 to the most appropriate provider of medical services based on the  
3 patient's condition. The protocols shall include triage and treatment  
4 protocols that allow all classifications of emergency medical care  
5 technicians responding to a person who has accessed 911, or a similar  
6 public dispatch number, for a condition that does not pose an immediate  
7 threat to life or limb to refer and advise a patient or transport a  
8 patient to the most appropriate health care institution as defined in  
9 section 36-401 based on the patient's condition, taking into consideration  
10 factors including patient choice, the patient's health care provider,  
11 specialized health care facilities and local protocols.

12 G. The director, when reviewing an ambulance service's response  
13 time compliance with its certificate of necessity, shall consider in  
14 addition to other factors the effect of hospital diversion, delayed  
15 emergency department admission and the number of ambulances engaged in  
16 response or transport in the affected area.

17 H. THE DEPARTMENT SHALL INCORPORATE ALL OF THE FOLLOWING FACTORS  
18 WHEN CALCULATING THE PROPOSED MILEAGE RATE:

- 19 1. THE COST OF LICENSURE AND REGISTRATION OF EACH GROUND AMBULANCE  
20 VEHICLE.
- 21 2. THE COST OF FUEL.
- 22 3. THE COST OF GROUND AMBULANCE VEHICLE MAINTENANCE.
- 23 4. THE COST OF GROUND AMBULANCE VEHICLE REPAIR.
- 24 5. THE COST OF TIRES.
- 25 6. THE COST OF GROUND AMBULANCE VEHICLE INSURANCE.
- 26 7. THE COST OF MECHANIC WAGES, BENEFITS AND PAYROLL TAXES.
- 27 8. THE COST OF LOAN INTEREST RELATED TO THE GROUND AMBULANCE  
28 VEHICLES.
- 29 9. THE COST OF THE WEIGHTED ALLOCATION OF OVERHEAD.
- 30 10. THE COST OF GROUND AMBULANCE VEHICLE DEPRECIATION.
- 31 11. THE COST OF RESERVES FOR REPLACEMENT OF GROUND AMBULANCE  
32 VEHICLES AND EQUIPMENT.

APPROVED BY THE GOVERNOR MAY 3, 2022.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 3, 2022.