



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
Second Regular Session

House: MAPS DP 12-1-1-0 | 3rd Read 56-0-3-1

Senate: HHS DPA 7-0-1-0 | 3rd Read 25-0-5-0

HB 2609: ambulance services; service areas

Sponsor: Representative Burges, LD 1

Senate Engrossed

Overview

Outlines changes to the Department of Health Services' (DHS) certificate of necessity (CON) issuing procedures and ambulance service operations in rural areas.

History

Statute currently requires DHS to regulate operating and response times of ambulances including providing uniform standards for urban, suburban, rural and wilderness areas within the CON based on population density, geographic and medical considerations ([A.R.S. § 36-2232](#)).

DHS must prescribe a uniform accounting system for ambulance services to use that conforms to standard principles for the ambulance industry and generally accepted accounting principles ([A.R.S. § 36-2232](#)).

Current statute requires ambulance services to file an annual financial report with DHS within 180 days of the completion of its annual accounting period ([A.R.S. § 36-2232](#)).

Statute requires the director of DHS (Director) to issue a CON if:

- 1) The applicant has at least one registered ambulance;
- 2) The director that public necessity requires the issuance of a CON;
- 3) The applicant is fit and proper to provide the service; and
- 4) The applicant has filed a surety bond ([A.R.S. § 36-2232](#)).

The director must hold a public hearing on any proposed action related to rates, fares, response times or CONs ([A.R.S. § 36-2234](#)).

If a CON is issued to a city or town in Arizona, the service area is defined as the geographical area within the jurisdiction of the city or town ([A.R.S. § 36-2236](#)).

Provisions

1. Requires DHS to make evidence-based quality patient care the priority in all decision-making. (Sec. 1)
2. States response times begin tolling when the ambulance service is contacted by an answering point. (Sec. 1)
3. States arrival times must be documented by the ambulance service and kept on file. (Sec. 1)
4. Requires DHS to make response time data publicly available on its website. (Sec. 1)
5. States DHS must review ambulance service response times every six years. (Sec. 1)
6. States one additional review may be requested by an eligible city, town, fire district or fire authority during each six-year period. (Sec. 1)

☐ Prop 105 (45 votes)

☐ Prop 108 (40 votes)

☐ Emergency (40 votes)

☐ Fiscal Note

7. States DHS must offer technical assistance to ambulance services to ensure compliance with rules. (Sec. 1)
8. Adds an ambulance service must install and maintain an electronic global positioning system monitoring device in each vehicle that is used for transport. (Sec. 1)
9. Requires an ambulance service to maintain response records for a period of three years. (Sec. 1)
10. Requires the Director to make a CON eligibility decision within 180 days of receiving an application. (Sec. 2)
11. States the applicant has 30 days to respond to the Director if the Director requests additional information from the CON applicant. (Sec. 2)
12. States the Director may give the applicant one additional 30 day period to respond to a request for additional information. (Sec. 2)
13. States the 180-day period for the Director to decide on a CON applicant's eligibility does not include the time the applicant uses to respond to requests for additional information. (Sec. 2)
14. Repeals statute that required an ambulance service to have at least one registered ambulance before the director issues a CON. (Sec. 2)
15. States any CON holder whose service area is within the affected service area of a new ambulance service may appeal the Director's decision within 30 days after the decision. (Sec. 3)
16. Requires the Director to hold a public hearing within 180 days if an appeal is made regarding a CON decision. (Sec. 3)
17. States that city, town, fire district, fire authority whose jurisdictional boundaries fall within a service area of CON, and any eligible hospital, are considered interested parties for the purposes of any hearings regarding CONs. (Sec. 3)
18. States all interested parties must be notified of any applications for a new CON within 15 days after an application is filed. (Sec. 3)
19. States a CON hearing may not last more than five business days. (Sec. 3)
20. Requires the director to mail CON hearing notices to every ambulance service and interested party at least 15 days prior to the hearing. (Sec. 3)
21. States if the jurisdictional boundaries of a city, town, fire district, fire authority or other political subdivision expand, the service area of the CON expands to reflect those changes. (Sec. 4)
22. States if the population of a service area changes, DHS must conduct a review to determine whether adjustments must be made to the response times in the service area. (Sec. 4)
23. Grants a fire department, fire district or fire authority temporary authority to provide needed ambulance services in areas lacking adequate ambulance service. (Sec. 6)
24. States that temporary authority lasts 90 days, and may be extended for one additional 90 day period. (Sec. 6)
25. States that CON applicant must demonstrate that the service provided under the temporary authority includes appropriately equipped vehicles. (Sec. 6)
26. Contains a rulemaking exemption. (Sec. 8)
27. Makes technical and conforming changes. (Sec. 1, 2, 3, 4, 5, 6, 7)

Senate Amendments

1. Requires response time data to be filed with DHS annually in a DHS approved format and removes the requirement for DHS to post response times on its public website.
2. Requires ambulance services to manually document on-scene response times when dispatch or GPS connectivity is not available.
3. Re-establishes the requirement that DHS ambulance rules must regulate ambulance services in all matters affecting services to the public.
4. Removes the option and requires DHS to provide a waiver to an ambulance service that can reasonably demonstrate it is unable to maintain a GPS device in each vehicle used for transport.
5. Removes the requirement for ambulance services to maintain response records for three years and to provide records to DHS upon request.
6. Requires DHS to consider an initial or amended application withdrawn if the applicant fails to respond to requests for additional information.
7. Requires DHS to post a notice of application of its website upon receipt of an initial or amended application for a CON.
8. Allows any interested party to provide information to the director within 30 days after a CON application is posted.
9. Prohibits information received more than 60 days after an application is posted on the DHS website from being considered during the review of the application.
10. States all interested parties must be notified of an application for a CON within 15 days after the application is filed, within 15 days after the application is complete and within 15 days after a decision by the Director.
11. States the Director's decision on a CON application is final unless appealed.
12. States any CON holder may appeal the Director's determination within 30 days of the decision in accordance with statutory uniform administrative hearing procedures.
13. Adds tribal governments who meet certain requirements as interested parties as a matter of law for the purposes of any CON hearings.
14. Requires the Director to hold a public hearing on any proposed action relating to adjustments of general public rates, charges or CON transfers, unless specified exceptions apply.
15. Requires an administrative law judge (ALJ) to issue a written decision within 20 days after the conclusion of a hearing for proposed changes to rates, fares, operating or response times, bases of operation or CONs.
16. Requires the ALJ's written decision contain a concise explanation of the reasons supporting the hearing's decision and states the ALJ must provide a copy of the decision to DHS and all parties of the action.
17. Requires the office of administrative hearings (Office) to also transmit to DHS a record of the hearing upon request.
18. States the Director must review the ALJ's decision and accept, reject or modify the decision within 30 days of the date the Office sends a copy of the ALJ's decision to DHS.
19. Requires the Director to file with the Office, and all parties, a copy of the ALJ's decision along with the Director's rejection or modification decision justification.

20. Requires the Director's written justification be sent to the President of the Senate and the Speaker of the House of Representatives if there is a rejection or modification of a conclusion of law.
21. Requires the Office to certify the ALJ's decision as the final administrative decision if the Director does not accept, reject or modify the ALJ's decision within 30 days of receipt.
22. States the decision as outlined is the final administrative decision.
23. States the following are subject to judicial review under statutory uniform administrative hearing procedures:
 - a) A final decision by the Director relating to an adjustment of general public rates, charges or CON transfers; and
 - b) The final administrative decision of the Director or the ALJ for an initial or amended CON.
24. Requires DHS to conduct a review to determine whether adjustments must be made to the response times in an area, taking into account the impact on rates and charges, if the population of a service area changes by at least 10% based on the most recent decennial census or five-year estimate.
25. Defines *interested party*
26. Modifies the definition of *emergency medical responder*.
27. Defines *emergency medical responder program*.
28. Adds a delayed effective date of January 1, 2024.
29. Adds an applicability clause.