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State of Minnesota
HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 1364

02/18/2019 Authored by Runbeck and Bahr

The bill was read for the first time and referred to the Committee on Health and Human Services Policy

1.1 A bill for an act
1.2 relating to health; requiring consultation with and approval by affected
1.3 municipalities before approval or implementation of a change in services provided
1.4 by an ambulance service; amending Minnesota Statutes 2018, sections 144E.001,
1.5 by adding a subdivision; 144E.07, by adding a subdivision; 144E.11, subdivisions
1.6 3, 4, 6, 7; 144E.14; 144E.15; proposing coding for new law in Minnesota Statutes,
1.7 chapter 144E.

1.8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.9 Section 1. Minnesota Statutes 2018, section 144E.001, is amended by adding a subdivision
1.10 to read:

1.11 Subd. 5i. **Change in services provided by an ambulance service.** "Change in services
1.12 provided by an ambulance service" means:

1.13 (1) a change in the ambulance service designated by the board to serve the primary
1.14 service area where the municipality is located;

1.15 (2) a change in the ambulance service operating ambulances in the primary service area
1.16 where the municipality is located, by entering into or terminating a contract with the
1.17 ambulance service designated by the board;

1.18 (3) a change in the number of ambulances being operated in the primary service area
1.19 where the municipality is located;

1.20 (4) a change in the number or type of ambulance service personnel staffing ambulances
1.21 in the primary service area where the municipality is located;

1.22 (5) a transfer of the license or ownership of the ambulance service in the primary service
1.23 area where the municipality is located;

2.1 (6) relocation of an ambulance service's base of operations in the primary services area
2.2 where the municipality is located;

2.3 (7) a change in the type of service provided in the primary service area where the
2.4 municipality is located; or

2.5 (8) a change in the boundaries of the primary service area where the municipality is
2.6 located.

2.7 Sec. 2. Minnesota Statutes 2018, section 144E.07, is amended by adding a subdivision to
2.8 read:

2.9 Subd. 4a. **Municipal consultation and approval required.** An ambulance service
2.10 seeking to change its primary service area under this section must consult with each
2.11 municipality affected by the proposed change. The board shall not approve an ambulance
2.12 service's application under this section unless the change is approved by each municipality
2.13 affected by the proposed change, as required by section 144E.105.

2.14 Sec. 3. **[144E.105] MUNICIPAL CONSULTATION AND APPROVAL REQUIRED.**

2.15 Subdivision 1. **System to inform and consult with municipalities.** The board shall
2.16 establish a system for the board and licensed ambulance services to inform an affected
2.17 municipality of a change in services provided by an ambulance service in the primary service
2.18 area where the municipality is located and to consult with affected municipalities about the
2.19 proposed changes prior to implementation. The system shall be designed to inform
2.20 municipalities of a proposed change in a timely way; allow affected municipalities to provide
2.21 feedback and express any concerns about a proposed change; provide a mechanism for
2.22 affected municipalities to approve or disapprove a proposed change; and allow the board,
2.23 ambulance services, and affected municipalities to cooperatively modify a proposed change
2.24 to address any concerns expressed by affected municipalities.

2.25 Subd. 2. **Affected municipality; consultation and approval required.** Before the board
2.26 approves or an ambulance service implements a change in services provided by an ambulance
2.27 service, the board or ambulance service must consult with each municipality affected by
2.28 the proposed change. The board shall not approve, and an ambulance shall not implement,
2.29 a change in services provided by an ambulance service, unless the change is approved by
2.30 each municipality affected by the proposed change.

3.1 Sec. 4. Minnesota Statutes 2018, section 144E.11, subdivision 3, is amended to read:

3.2 Subd. 3. **Comments; consultation.** Each municipality, county, community health board,
3.3 governing body of a regional emergency medical services system, ambulance service, and
3.4 other person wishing to make recommendations concerning the disposition of the application
3.5 shall make written recommendations or comments opposing the application to the board
3.6 within 30 days of the publication of notice of the application in the State Register. If approval
3.7 of the application would result in a change in services provided by an ambulance service,
3.8 the board and ambulance service must consult with each municipality affected by the
3.9 proposed change, as required by section 144E.105.

3.10 Sec. 5. Minnesota Statutes 2018, section 144E.11, subdivision 4, is amended to read:

3.11 Subd. 4. **Contested case exemption; procedure.** (a) If no more than five written
3.12 comments opposing the application have been received by the board under subdivision 3,
3.13 and the board has determined, after considering the factors listed under subdivision 6, that
3.14 the proposed service or expansion of primary service area is needed, the applicant shall be
3.15 exempt from the contested case hearing process under subdivision 5.

3.16 (b) An applicant exempted from a contested case hearing under this subdivision shall
3.17 furnish additional information, as requested by the board, to support its application. The
3.18 board shall approve the application and grant a license to the applicant within 30 days after
3.19 final submission of requested information to the board, and upon a determination by the
3.20 board that the applicant is in compliance with the rules adopted by the board and with the
3.21 inspection requirements of section 144E.18. If approval of the application would result in
3.22 a change in services provided by an ambulance service, the board shall not approve the
3.23 application unless the application is approved by each affected municipality that is located
3.24 in the applicant's primary service area, as required by section 144E.105.

3.25 (c) If an applicant does not comply with the inspection requirements under section
3.26 144E.18 within one year of the board's approval of its application, the license shall be denied.
3.27 The one-year time limit applies to any licensing decision made by the board or to any prior
3.28 licensing decision made by the commissioner of health or an administrative law judge.

3.29 (d) If, after considering the factors under subdivision 6, the board determines that the
3.30 proposed service or expansion of primary service area is not needed, the case shall be treated
3.31 as a contested case under subdivision 5, paragraphs (c) to (g).

4.1 Sec. 6. Minnesota Statutes 2018, section 144E.11, subdivision 6, is amended to read:

4.2 Subd. 6. **Review criteria.** (a) When reviewing an application for licensure, the board
4.3 and administrative law judge shall consider the following factors:

4.4 (1) the recommendations or comments of the governing bodies of the counties,
4.5 municipalities, community health boards, and regional emergency medical services system
4.6 designated under section 144E.50 in which the service would be provided;

4.7 (2) the deleterious effects on the public health from duplication, if any, of ambulance
4.8 services that would result from granting the license;

4.9 (3) for a change in services provided by an ambulance service, whether the change was
4.10 approved by each affected municipality;

4.11 (4) the estimated effect of the proposed service or expansion in primary service area on
4.12 the public health; and

4.13 ~~(4)~~ (5) whether any benefit accruing to the public health would outweigh the costs
4.14 associated with the proposed service or expansion in primary service area.

4.15 (b) The administrative law judge shall recommend that the board either grant or deny a
4.16 license or recommend that a modified license be granted. The reasons for the recommendation
4.17 shall be set forth in detail. The administrative law judge shall make the recommendations
4.18 and reasons available to any individual requesting them.

4.19 Sec. 7. Minnesota Statutes 2018, section 144E.11, subdivision 7, is amended to read:

4.20 Subd. 7. **Licensing decision.** After receiving the administrative law judge's report, the
4.21 board shall approve or deny the application and grant the license within 60 days if the
4.22 application is approved, and upon determination by the board, that the applicant is in
4.23 compliance with the rules adopted by the board and with the inspection requirements of
4.24 section 144E.18. If approval of the application would result in a change in services provided
4.25 by an ambulance service, the board shall not approve the application unless the application
4.26 is approved by each affected municipality that is located in the applicant's primary service
4.27 area, as required by section 144E.105. In approving or denying an application, the board
4.28 shall consider the administrative law judge's report, the evidence contained in the application,
4.29 and any hearing record and other applicable evidence. The board's decision shall be based
4.30 on a consideration of the factors contained in subdivision 6. If the board determines to grant
4.31 the applicant a license, the applicant must comply with the inspection requirements under
4.32 144E.18 within one year of the board's approval of the application or the license will be

denied. This one-year time limit applies to any licensing decision by the board or to any prior licensing decision made by the commissioner of health or an administrative law judge.

Sec. 8. Minnesota Statutes 2018, section 144E.14, is amended to read:

144E.14 TRANSFER OF LICENSE OR OWNERSHIP.

A license, or the ownership of a licensed ambulance service, may be transferred only upon approval of: (1) the board, based upon a finding that the proposed licensee or proposed new owner of a licensed ambulance service meets or will meet the requirements of sections 144E.101 to 144E.127; and (2) each affected municipality, as required by section 144E.105. If the proposed transfer would result in an addition of a new base of operations, expansion of the service's primary service area, or provision of a new type or types of ambulance service, the board shall require the prospective licensee or owner to comply with section 144E.11. The board may approve the license or ownership transfer prior to completion of the application process described in section 144E.11 upon obtaining written assurances from the proposed licensee or proposed new owner that no expansion of the service's primary service area or provision of a new type or types of ambulance service will occur during the processing of the application. If requesting a transfer of its base of operations, an applicant must comply with the requirements of section 144E.15.

Sec. 9. Minnesota Statutes 2018, section 144E.15, is amended to read:

144E.15 RELOCATION OF BASE OF OPERATIONS.

To relocate the base of operations to another municipality or township within its primary service area, a licensee must provide written notification to the board prior to relocating. The board shall review the proposal to determine if relocation would adversely affect service coverage within the primary service area. The applicant must furnish any additional information requested by the board to support its proposed transfer. The board shall not approve the relocation proposal unless the proposal is approved by each affected municipality that is located in the licensee's primary service area, as required by section 144E.105. If the board does not approve the relocation proposal, the licensee must comply with the application requirements for a new license under section 144E.11.