

HOUSE BILL NO. 1044

Introduced by

Legislative Management

(Public Safety and Transportation Committee)

1 A BILL for an Act to create and enact a new chapter to title 23 and a new subsection to section
2 23-27-02 of the North Dakota Century Code, relating to ambulance operations areas,
3 emergency medical services funding areas, and state financial assistance for emergency
4 medical services; to amend and reenact sections 18-04-04.1 and 23-27-01 and subsection 1 of
5 section 26.1-03-17 of the North Dakota Century Code, relating to the insurance tax distribution
6 fund and ambulance operations areas; to repeal chapter 23-40 of the North Dakota Century
7 Code, relating to emergency medical services allocations; and to provide an appropriation.

8 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

9 **SECTION 1. AMENDMENT.** Section 18-04-04.1 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **18-04-04.1. Insurance tax distribution fund.**

12 The insurance tax distribution fund is a special fund in the state treasury. The portion of
13 revenue provided in section 26.1-03-17 must be deposited in the fund for disbursement as
14 provided in this chapter and ~~chapter 23-40~~section 2 of this Act, subject to legislative
15 appropriation.

16 **SECTION 2.** A new chapter to title 23 of the North Dakota Century Code is created and
17 enacted as follows:

18 **Definitions.**

19 For purposes of this chapter:

- 20 1. "Ambulance operations area" means the geographic area in which the state
21 department of health requires each licensed ambulance service to provide emergency
22 medical services.
23 2. "Emergency medical services funding area" means a geographic area eligible for state
24 assistance and includes one or more licensed ambulance operations.

1 3. "Minimum reasonable cost" means the cost of operating one transporting ambulance
2 service or the sum of the cost to operate one transporting ambulance service and any
3 combination of one substation and one quick response unit.

4 4. "Required local matching funds" means revenue generated by the provision of
5 emergency medical services, local mill levies, local sales tax, local donations, and
6 in-kind donations of services.

7 **Emergency medical services advisory committee.**

8 The state department of health shall establish an emergency medical services advisory
9 committee for the purpose of providing advice to the state department of health on issues that
10 affect the emergency medical services industry. Committee membership must include
11 representation from the emergency medical services industry and at least one consumer
12 representative. Committee members are entitled to reimbursement for expenses in the manner
13 provided in section 44-08-04.

14 **Emergency medical services funding areas.**

15 The state department of health shall establish and update biennially a plan for integrated
16 emergency medical services in this state. The plan must identify ambulance operations areas,
17 emergency medical services funding areas that require state financial assistance to operate a
18 minimally reasonable level of emergency medical services, and a minimum reasonable cost for
19 an emergency medical services operation. The department shall designate emergency medical
20 services funding areas based on criteria adopted by the health council and published in the
21 North Dakota Administrative Code.

22 **State financial assistance for emergency medical services - Confidential information**
23 **- Annual allocation.**

24 Emergency medical services operations that request financial assistance from the state
25 must provide requested fiscal information to the state department of health for use in financial
26 assistance determinations. All information provided to the department under this section is
27 confidential. The state department of health shall determine annually the allocation amount of
28 state financial assistance for each emergency medical services funding area based on the
29 department's determination of:

- 1 1. The minimum annual funding necessary to operate the emergency medical services
2 operation or service designated to operate in the ambulance funding area, based on
3 the financial needs unique to each emergency medical services funding area.
- 4 2. Required local matching funds commensurate with at least ten dollars per capita within
5 the emergency medical services funding area.

6 **State financial assistance for emergency medical services - Distribution limit.**

7 During the first year of the biennium, the state department of health may not distribute more
8 than one-half of the biennial legislative appropriation for state financial assistance for
9 emergency medical services.

10 **SECTION 3. AMENDMENT.** Section 23-27-01 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **23-27-01. License required - Licensing of emergency medical services operations -**
13 **Exception - Waiver.**

- 14 1. The state department of health shall license emergency medical services operations.
15 ~~After June 30, 2001, the department shall limit the issuance of a license for any new~~
16 ~~emergency medical services operation based on the needs of the service area if the~~
17 ~~applicant for the new license was licensed before July 1, 2001, and was subsequently~~
18 ~~relicensed under section 23-27-04.5.~~Beginning August 1, 2011, the department shall
19 ensure that all areas of the state are covered by reasonable ground ambulance
20 response by establishing ambulance operations areas. Initially, ambulance operations
21 areas must be conferred upon existing emergency medical services operations that
22 have historically provided service to the area. Each ambulance operations area must
23 be limited to one transporting ambulance service that must meet the performance
24 standards adopted by the health council and published in the North Dakota
25 Administrative Code. Upon failure of an emergency medical services operation to
26 meet minimum performance standards, the state department of health may decrease
27 or eliminate state financial assistance as part of the emergency medical services
28 funding area plan and designate another emergency medical services operation to
29 provide ground ambulance services in the ambulance operations area. A new
30 applicant for ambulance licensure must prove that an existing emergency medical
31 services operation is providing substandard service to the ambulance operations area

1 or have written consent from the existing operation in order to operate in its
2 ambulance operations area. A license for an emergency medical services operation is
3 nontransferable.

4 2. Emergency medical services may not be advertised, offered, or provided to the public
5 except by ~~an~~ a licensed emergency medical services operator that provides the
6 emergency medical services through emergency medical services personnel.

7 3. Except as otherwise provided under subsection 4, an emergency medical services
8 operator must be separately licensed for each of the operator's emergency medical
9 services operations and an operation that is headquartered from a separate location
10 must be considered a separate operation. Under this subsection, an operation with a
11 single headquarters site may dispatch vehicles and emergency medical services
12 personnel ~~from~~ for more than one location if calls requesting services are received and
13 orders for vehicle dispatch are made at the single headquarters site.

14 4. Notwithstanding subsection 3, an operator of an emergency medical services
15 operation may operate one or more substation ambulance services operations under a
16 single license if:

17 a. The headquarters ambulance services operation is not a substation ambulance
18 services operation of another emergency medical services operation;

19 b. The substation ambulance services operation area borders the headquarters
20 ambulance services operation area or borders another substation of the
21 headquarters ambulance services operation;

22 c. The headquarters ambulance services operation and the substation ambulance
23 services operation are dispatched by the same entity; and

24 d. The operator of the emergency medical services operation pays a license fee for
25 each of its substation ambulance services operations.

26 5. The provisions of this chapter do not apply to an operator from another state which is
27 headquartered at a location outside of this state and transports patients across state
28 lines, but the operator may not treat patients within this state or pick up patients within
29 this state for transportation to locations within this state, except as provided by rule.

- 1 6. The state health council shall adopt rules for special licenses and waiver provisions for
2 an operator of an emergency medical services operation intended for industrial sites
3 not available to the general public.

4 **SECTION 4.** A new subsection to section 23-27-02 of the North Dakota Century Code is
5 created and enacted as follows:

6 "Ambulance operations area" means the geographic area in which the state
7 department of health requires each emergency medical services operation to provide
8 emergency medical services.

9 **SECTION 5. AMENDMENT.** Subsection 1 of section 26.1-03-17 of the North Dakota
10 Century Code is amended and reenacted as follows:

- 11 1. Before issuing the annual certificate required by law, the commissioner shall collect
12 from every stock and mutual insurance company, nonprofit health service corporation,
13 health maintenance organization, and prepaid legal service organization, except
14 fraternal benefit and benevolent societies, doing business in this state, a tax on the
15 gross amount of premiums, assessments, membership fees, subscriber fees, policy
16 fees, service fees collected by any third-party administrator providing administrative
17 services to a group that is self-insured for health care benefits, and finance and
18 service charges received in this state during the preceding calendar year, at the rate of
19 two percent with respect to life insurance, one and three-fourths percent with respect
20 to accident and health insurance, and one and three-fourths percent with respect to all
21 other lines of insurance. This tax does not apply to considerations for annuities. The
22 total tax is payable on or before March first following the year for which the tax is
23 assessable. Collections from this tax, except for collections deposited in the
24 firefighters death benefit fund, must be deposited in the insurance tax distribution fund
25 under section 18-04-04.1 but not in an amount exceeding one-half of the biennial
26 amount appropriated for distribution under ~~section~~section 18-04-05 and
27 ~~23-40-05~~section 2 of this Act in any fiscal year. Collections from this tax in an amount
28 of up to fifty thousand dollars per biennium, as may be necessary, are appropriated on
29 a continuing basis for deposit in the firefighters death benefit fund for distribution under
30 chapter 18-05.1. Collections from this tax exceeding the sum of the amount deposited
31 in the insurance tax distribution fund and the amount deposited in the firefighters death

1 benefit fund each fiscal year must be deposited in the general fund in the state
2 treasury. If the due date falls on a Saturday or legal holiday, the tax is payable on the
3 next succeeding business day.

4 **SECTION 6. REPEAL.** Chapter 23-40 of the North Dakota Century Code is repealed.

5 **SECTION 7. APPROPRIATION.** There is appropriated out of any moneys in the insurance
6 tax distribution fund in the state treasury, not otherwise appropriated, the sum of \$12,000,000,
7 or so much of the sum as may be necessary, to the state department of health, for the purpose
8 of providing state assistance grants to emergency medical services operations and related
9 administrative costs in accordance with section 2 of this Act, for the biennium beginning July 1,
10 2011, and ending June 30, 2013.