

September 2010

Introduced by

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

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

17 **Definitions.** For purposes of this chapter:

18 1. "Ambulance operations area" means the geographic area in which the state
19 department of health requires each licensed ambulance service to provide
20 emergency medical services.

21 2. "Emergency medical services funding area" means a geographic area eligible for
22 state assistance and includes one or more licensed ambulance operations.

- 1 3. "Minimum reasonable cost" means the cost of operating one transporting
2 ambulance service or the sum of the cost to operate one transporting ambulance
3 service and any 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.** The state department of health
8 shall establish an emergency medical services advisory committee for the purpose of providing
9 advice to the state department of health on issues that affect the emergency medical services
10 industry. Committee membership must include representation from the emergency medical
11 services industry and at least one consumer representative. Committee members are entitled
12 to reimbursement for expenses in the manner provided in section 44-08-04.

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

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

- 28 1. The minimum annual funding necessary to operate the emergency medical
29 services operation or service designated to operate in the ambulance funding area,
30 based on the financial needs unique to each emergency medical services funding
31 area.

1 2. Required local matching funds commensurate with at least ten dollars per capita
2 within the emergency medical services funding area.

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

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

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

9 **23-27-01. License required - Licensing of emergency medical services operations**
10 **- Exception - Waiver.**

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

- 1 ambulance operations area. A license for an emergency medical services
2 operation is nontransferable.
- 3 2. Emergency medical services may not be advertised, offered, or provided to the
4 public except by ~~an~~ a licensed emergency medical services operator that provides
5 the emergency medical services through emergency medical services personnel.
- 6 3. Except as otherwise provided under subsection 4, an emergency medical services
7 operator must be separately licensed for each of the operator's emergency medical
8 services operations and an operation that is headquartered from a separate
9 location must be considered a separate operation. Under this subsection, an
10 operation with a single headquarters site may dispatch vehicles and emergency
11 medical services personnel ~~from~~ for more than one location if calls requesting
12 services are received and orders for vehicle dispatch are made at the single
13 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
16 under a single license if:
- 17 a. The headquarters ambulance services operation is not a substation
18 ambulance services operation of another emergency medical services
19 operation;
- 20 b. The substation ambulance services operation area borders the headquarters
21 ambulance services operation area or borders another substation of the
22 headquarters ambulance services operation;
- 23 c. The headquarters ambulance services operation and the substation
24 ambulance services operation are dispatched by the same entity; and
- 25 d. The operator of the emergency medical services operation pays a license fee
26 for each of its substation ambulance services operations.
- 27 5. The provisions of this chapter do not apply to an operator from another state which
28 is headquartered at a location outside of this state and transports patients across
29 state lines, but the operator may not treat patients within this state or pick up
30 patients within this state for transportation to locations within this state, except as
31 provided by rule.

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

4 **SECTION 4.** A new subsection to section 23-27-02 of the North Dakota Century Code
5 is 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
8 provide 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
13 corporation, health maintenance organization, and prepaid legal service
14 organization, except fraternal benefit and benevolent societies, doing business in
15 this state, a tax on the gross amount of premiums, assessments, membership fees,
16 subscriber fees, policy fees, service fees collected by any third-party administrator
17 providing administrative services to a group that is self-insured for health care
18 benefits, and finance and service charges received in this state during the
19 preceding calendar year, at the rate of two percent with respect to life insurance,
20 one and three-fourths percent with respect to accident and health insurance, and
21 one and three-fourths percent with respect to all other lines of insurance. This tax
22 does not apply to considerations for annuities. The total tax is payable on or
23 before March first following the year for which the tax is assessable. Collections
24 from this tax, except for collections deposited in the firefighters death benefit fund,
25 must be deposited in the insurance tax distribution fund under section 18-04-04.1
26 but not in an amount exceeding one-half of the biennial amount appropriated for
27 distribution under ~~sections~~ section 18-04-05 and ~~23-40-05~~ section 2 of this Act in
28 any fiscal year. Collections from this tax in an amount of up to fifty thousand
29 dollars per biennium, as may be necessary, are appropriated on a continuing basis
30 for deposit in the firefighters death benefit fund for distribution under chapter
31 18-05.1. Collections from this tax exceeding the sum of the amount deposited in

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

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

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