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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. **3701**

March 17, 2010

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The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to ambulance services; requiring payment to providers of ambulance
1.3 services within a geographic area; proposing coding for new law in Minnesota
1.4 Statutes, chapter 144E.

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

1.6 Section 1. **[144E.08] CHARGES FOR SERVICES.**

1.7 Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the
1.8 meanings given in this subdivision.

1.9 (b) A "nonurban primary service area" means a primary service area, the majority of
1.10 geographic area of which is located outside of the metropolitan area defined in section
1.11 473.121, subdivision 4, and outside of any city that has a population over 35,000.

1.12 (c) A "negotiated fee" is an amount of payment for ambulance services agreed to
1.13 between the ambulance service and the local unit of government prior to the end of the
1.14 calendar year during which the service was provided.

1.15 Subd. 2. **Authorization.** If an ambulance service that has been designated to serve a
1.16 nonurban primary service area under section 144E.06 determines that it has a deficit as
1.17 determined under subdivision 4 for a calendar year, it may impose a fee for the service
1.18 on any local unit of government, the territory of which is located within the primary
1.19 service area, if that local unit of government has not paid a negotiated fee to the ambulance
1.20 service for services provided within the territory of the local unit of government during
1.21 that calendar year.

1.22 Subd. 3. **Imposition and payment of fees.** An ambulance service may impose a fee
1.23 under this section only as provided under this subdivision. The ambulance service must
1.24 determine the existence and amount of the deficit, if any, by March 1 following the end

2.1 of the calendar year when the deficit occurred. It must allocate the amount of the deficit
2.2 among the local units of government within the primary service area that did not pay a
2.3 negotiated fee for services provided during the year when the deficit occurred, and bill
2.4 each of them for the amount due. The local units of government must pay the imposed fee
2.5 no later than 90 days after receipt of the bill.

2.6 Subd. 4. **Determinations by the board.** The board must develop formulas to be
2.7 used to determine:

2.8 (1) the existence and amount of an annual deficit; and

2.9 (2) the amount of an imposed fee, provided that the fee must be based on the amount
2.10 of the annual deficit, allocated among the local units of government within the service area
2.11 that have not paid a negotiated fee for the deficit year, divided according to the relative
2.12 shares of population of each local unit of government.

2.13 **EFFECTIVE DATE.** This section is effective for charges based on deficits
2.14 occurring in 2010 and thereafter.