

AN ACT

relating to the licensing and regulation of emergency medical services providers and a moratorium on the issuance of emergency medical services provider licenses.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 773.0571, Health and Safety Code, is amended to read as follows:

Sec. 773.0571. REQUIREMENTS FOR PROVIDER LICENSE. The department shall issue to an emergency medical services provider applicant a license that is valid for two years if the department is satisfied that:

(1) the applicant [~~emergency medical services provider~~] has adequate staff to meet the staffing standards prescribed by this chapter and the rules adopted under this chapter;

(2) each emergency medical services vehicle is adequately constructed, equipped, maintained, and operated to render basic or advanced life support services safely and efficiently;

(3) the applicant [~~emergency medical services provider~~] offers safe and efficient services for emergency prehospital care and transportation of patients; [~~and~~]

(4) the applicant:

(A) possesses sufficient professional experience

1 and qualifications to provide emergency medical services; and

2 (B) has not been excluded from participation in  
3 the state Medicaid program;

4 (5) the applicant holds a letter of approval issued  
5 under Section 773.0573 by the governing body of the municipality or  
6 the commissioners court of the county in which the applicant is  
7 located and is applying to provide emergency medical services, as  
8 applicable; and

9 (6) the applicant [~~emergency medical services~~  
10 ~~provider~~] complies with the rules adopted [~~by the board~~] under this  
11 chapter.

12 SECTION 2. Subchapter C, Chapter 773, Health and Safety  
13 Code, is amended by adding Sections 773.05711, 773.05712, and  
14 773.05713 to read as follows:

15 Sec. 773.05711. ADDITIONAL EMERGENCY MEDICAL SERVICES  
16 PROVIDER LICENSE REQUIREMENTS. (a) In addition to the  
17 requirements for obtaining or renewing an emergency medical  
18 services provider license under this subchapter, a person who  
19 applies for a license or for a renewal of a license must:

20 (1) provide the department with a letter of credit  
21 issued by a federally insured bank or savings institution in the  
22 amount of:

23 (A) \$100,000 for the initial license and for  
24 renewal of the license on the second anniversary of the date the  
25 initial license is issued;

26 (B) \$75,000 for renewal of the license on the  
27 fourth anniversary of the date the initial license is issued;

1           (C) \$50,000 for renewal of the license on the  
2 sixth anniversary of the date the initial license is issued; and

3           (D) \$25,000 for renewal of the license on the  
4 eighth anniversary of the date the initial license is issued;

5           (2) if the applicant participates in the medical  
6 assistance program operated under Chapter 32, Human Resources Code,  
7 the Medicaid managed care program operated under Chapter 533,  
8 Government Code, or the child health plan program operated under  
9 Chapter 62 of this code, provide the Health and Human Services  
10 Commission with a surety bond in the amount of \$50,000; and

11           (3) submit for approval by the department the name and  
12 contact information of the provider's administrator of record who  
13 satisfies the requirements under Section 773.05712.

14           (b) An emergency medical services provider that is directly  
15 operated by a governmental entity is exempt from this section.

16           Sec. 773.05712. ADMINISTRATOR OF RECORD. (a) The  
17 administrator of record for an emergency medical services provider  
18 licensed under this subchapter:

19           (1) may not be employed or otherwise compensated by  
20 another private for-profit emergency medical services provider;

21           (2) must meet the qualifications required for an  
22 emergency medical technician or other health care professional  
23 license or certification issued by this state; and

24           (3) must submit to a criminal history record check at  
25 the applicant's expense.

26           (b) Section 773.0415 does not apply to information an  
27 administrator of record is required to provide under this section.

1       (c) An administrator of record initially approved by the  
2 department may be required to complete an education course for new  
3 administrators of record. The executive commissioner shall  
4 recognize, prepare, or administer the education course for new  
5 administrators of record, which must include information about the  
6 laws and department rules that affect emergency medical services  
7 providers.

8       (d) An administrator of record approved by the department  
9 under Section 773.05711(a) annually must complete at least eight  
10 hours of continuing education following initial approval. The  
11 executive commissioner shall recognize, prepare, or administer  
12 continuing education programs for administrators of record, which  
13 must include information about changes in law and department rules  
14 that affect emergency medical services providers.

15       (e) Subsection (a)(2) does not apply to an emergency medical  
16 services provider that held a license on September 1, 2013, and has  
17 an administrator of record who has at least eight years of  
18 experience providing emergency medical services.

19       (f) An emergency medical services provider that is directly  
20 operated by a governmental entity is exempt from this section.

21       Sec. 773.05713. REPORT TO LEGISLATURE. Not later than  
22 December 1 of each even-numbered year, the department shall  
23 electronically submit a report to the lieutenant governor, the  
24 speaker of the house of representatives, and the standing  
25 committees of the house and senate with jurisdiction over the  
26 department on the effect of Sections 773.05711 and 773.05712 that  
27 includes:

1           (1) the total number of applications for emergency  
2 medical services provider licenses submitted to the department and  
3 the number of applications for which licenses were issued or  
4 licenses were denied by the department;

5           (2) the number of emergency medical services provider  
6 licenses that were suspended or revoked by the department for  
7 violations of those sections and a description of the types of  
8 violations that led to the license suspension or revocation;

9           (3) the number of occurrences and types of fraud  
10 committed by licensed emergency medical services providers related  
11 to those sections;

12           (4) the number of complaints made against licensed  
13 emergency medical services providers for violations of those  
14 sections and a description of the types of complaints; and

15           (5) the status of any coordination efforts of the  
16 department and the Texas Medical Board related to those sections.

17           SECTION 3. Subchapter C, Chapter 773, Health and Safety  
18 Code, is amended by adding Section 773.0573 to read as follows:

19           Sec. 773.0573. LETTER OF APPROVAL FROM LOCAL GOVERNMENTAL  
20 ENTITY. (a) An emergency medical services provider applicant must  
21 obtain a letter of approval from:

22           (1) the governing body of the municipality in which  
23 the applicant is located and is applying to provide emergency  
24 medical services; or

25           (2) if the applicant is not located in a municipality,  
26 the commissioners court of the county in which the applicant is  
27 located and is applying to provide emergency medical services.

1       (b) A governing body of a municipality or a commissioners  
2 court of a county may issue a letter of approval to an emergency  
3 medical services provider applicant who is applying to provide  
4 emergency medical services in the municipality or county only if  
5 the governing body or commissioners court determines that:

6           (1) the addition of another licensed emergency medical  
7 services provider will not interfere with or adversely affect the  
8 provision of emergency medical services by the licensed emergency  
9 medical services providers operating in the municipality or county;

10          (2) the addition of another licensed emergency medical  
11 services provider will remedy an existing provider shortage that  
12 cannot be resolved through the use of the licensed emergency  
13 medical services providers operating in the municipality or county;  
14 and

15          (3) the addition of another licensed emergency medical  
16 services provider will not cause an oversupply of licensed  
17 emergency medical services providers in the municipality or county.

18       (c) An emergency medical services provider is prohibited  
19 from expanding operations to or stationing any emergency medical  
20 services vehicles in a municipality or county other than the  
21 municipality or county from which the provider obtained the letter  
22 of approval under this section until after the second anniversary  
23 of the date the provider's initial license was issued, unless the  
24 expansion or stationing occurs in connection with:

25           (1) a contract awarded by another municipality or  
26 county for the provision of emergency medical services;

27           (2) an emergency response made in connection with an

1 existing mutual aid agreement; or

2 (3) an activation of a statewide emergency or disaster  
3 response by the department.

4 (d) This section does not apply to:

5 (1) renewal of an emergency medical services provider  
6 license; or

7 (2) a municipality, county, emergency services  
8 district, hospital, or emergency medical services volunteer  
9 provider organization in this state that applies for an emergency  
10 medical services provider license.

11 SECTION 4. Subchapter C, Chapter 773, Health and Safety  
12 Code, is amended by adding Section 773.06141 to read as follows:

13 Sec. 773.06141. SUSPENSION, REVOCATION, OR DENIAL OF  
14 EMERGENCY MEDICAL SERVICES PROVIDER LICENSE. (a) The commissioner  
15 may suspend, revoke, or deny an emergency medical services provider  
16 license on the grounds that the provider's administrator of record,  
17 employee, or other representative:

18 (1) has been convicted of, or placed on deferred  
19 adjudication community supervision or deferred disposition for, an  
20 offense that directly relates to the duties and responsibilities of  
21 the administrator, employee, or representative, other than an  
22 offense for which points are assigned under Section 708.052,  
23 Transportation Code;

24 (2) has been convicted of or placed on deferred  
25 adjudication community supervision or deferred disposition for an  
26 offense, including:

27 (A) an offense listed in Sections 3g(a)(1)(A)

1 through (H), Article 42.12, Code of Criminal Procedure; or

2 (B) an offense, other than an offense described  
3 by Subdivision (1), for which the person is subject to registration  
4 under Chapter 62, Code of Criminal Procedure; or

5 (3) has been convicted of Medicare or Medicaid fraud,  
6 has been excluded from participation in the state Medicaid program,  
7 or has a hold on payment for reimbursement under the state Medicaid  
8 program under Subchapter C, Chapter 531, Government Code.

9 (b) An emergency medical services provider that is directly  
10 operated by a governmental entity is exempt from this section.

11 SECTION 5. Section 773.0571, Health and Safety Code, as  
12 amended by this Act, and Section 773.0573, Health and Safety Code,  
13 as added by this Act, apply only to an application for approval of  
14 an emergency medical services provider license submitted to the  
15 Department of State Health Services on or after the effective date  
16 of this Act. An application submitted before the effective date of  
17 this Act is governed by the law in effect immediately before the  
18 effective date of this Act, and that law is continued in effect for  
19 that purpose.

20 SECTION 6. The change in law made by this Act applies only  
21 to an application for approval or renewal of an emergency medical  
22 services provider license submitted to the Department of State  
23 Health Services on or after the effective date of this Act. An  
24 application submitted before the effective date of this Act is  
25 governed by the law in effect immediately before the effective date  
26 of this Act, and that law is continued in effect for that purpose.

27 SECTION 7. This Act takes effect September 1, 2013.



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President of the Senate

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Speaker of the House

I certify that H.B. No. 3556 was passed by the House on May 3, 2013, by the following vote: Yeas 126, Nays 2, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3556 on May 24, 2013, by the following vote: Yeas 139, Nays 3, 3 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 3556 was passed by the Senate, with amendments, on May 22, 2013, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor