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## FISCAL IMPACT REPORT

**SPONSOR** M. Sanchez **ORIGINAL DATE** 02/05/10 **LAST UPDATED** \_\_\_\_\_ **HB** \_\_\_\_\_  
**SHORT TITLE** Local Gov't Ambulance Service Compensation **SB** 244  
**ANALYST** Lucero

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY10	FY11		
	None		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Public Regulation Commission (PRC)

Health Policy Commission (HPC)

### SUMMARY

#### Synopsis of Bill

Senate Bill 244 proposes to amend Section 65-2A-8 NMSA 1978 of the Motor Carrier Act, to allow a county or municipality to provide compensated ambulance services within its own boundaries, after showing that the county or municipality is in compliance with safety and financial responsibility requirements of the Act, the rules of the commission, and other applicable federal and state laws or rules.

### FISCAL IMPLICATIONS

There is no fiscal impact to state agencies.

### SIGNIFICANT ISSUES

In as much as ambulance service is a public safety concern throughout the state and most private ambulance services in New Mexico do not operate without significantly increasing government subsidies, the Public Regulation Commission has received requests from County and Municipal governments for assistance to allow them to provide ambulance services within their boundaries. Currently, if an entity wants to initiate compensated ambulance transport service in a given area, they must show that a need for an ambulance service in that area exists. This is particularly an

issue when the Public Regulation Commission has already granted a certificate of need to another ambulance service in that area. This process limits the number of ambulance services competing for services in an area.

The bill would eliminate the requirement of showing need for an ambulance service when the applicant is from a county or municipal based agency.

Municipalities and counties already have the ability in Section 5-1-1 NMSA 1978 to apply to provide ambulance service if the community has a need for this service to be provided by the municipality or county.

#### TECHNICAL ISSUES

The bill may be in conflict with Section 5-1-1 NMSA 1978 in regards to political subdivisions, ambulance service, which states “ A municipality or county may: A) provide ambulance service to transport sick or injured persons to a place of treatment in the absence of an established ambulance service only as authorized by the public regulation commission”. Section 5-1-1 requires there to be an “absence of an established ambulance service” before a municipality or county may provide ambulance service. The bill does not have such a limitation, creating statutory inconsistency and conflict.

#### OTHER SUBSTANTIVE ISSUES

According to the Health Policy Commission the bill could jeopardize emergency medical service (EMS) system development by allowing competition between municipalities, counties, hospital based, and private entities currently providing ambulance service. This competition could dilute the insurance, Medicare, and Medicaid reimbursements that already are not meeting the financial needs of New Mexico ambulance services.

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