



April 4, 2012

Texas Department of State Health Services
Attn: Assistant Commissioner Kathryn Perkins, RN
Division for Regulatory Services
P.O. Box 149347
Austin, TX 78714-9347

Assistant Commissioner Perkins,

I am writing on behalf of the Board of Directors and membership of the Texas Ambulance Association (TAA) who are concerned with the increasing numbers of potentially illegitimate ambulance providers in and around the Harris County area and the Valley. Recent media coverage has highlighted this problem once again and, we see this beginning to grow in other metropolitan areas across the State of Texas. As the organization that represents all types of ambulance providers in Texas, it is our desire to partner with the Department of State Health Services in developing a broad policy and legislative strategy to address this issue. We believe there are several options that can be utilized that will make it more difficult for ambulance providers who do not desire to operate within the rules and regulations to survive while minimizing the impact of increased regulation on legitimate providers.

Many of these concepts are very complex and the success of several of them are dependent upon the others being in place alongside of them. In addition, we would hope the majority of these ideas can be implemented through rule changes, but if changes to laws are necessary, we look forward to partnering with DSHS in making this happen as efficiently as possible in 2013.

These ideas are presented as a set of increased regulatory efforts and not as separate ideas.

1. **Increased requirements on Administrator of Record:** DSHS already requires every EMS agency to name their administrator. We propose adding additional requirements to this person to include:
 - a. A person cannot be the Administrator of Record for more than one paid EMS Provider.
 - b. They must complete an EMS Administrator Course. We envision this to be a 40 hour course that must be completed by any EMS Administrator of a new agency prior to the agency being granted a Provider License. The course would be focused upon Texas EMS and business regulations and Federal and Texas reimbursement regulations. In addition,

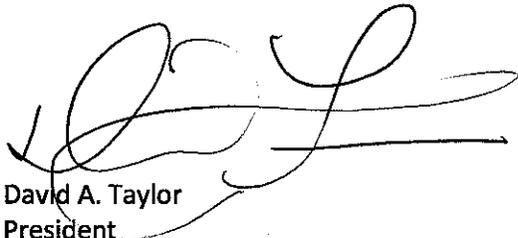
all current EMS Provider Administrator's must also complete this course within an appropriate time after this rule were to take effect (i.e. 3-5 years).

- c. After completion of the course, the Administrator must complete CE hours specific to EMS Administration every year.
 - d. The Administrator of Record shall have personal accountability where appropriate for violations committed by the licensed EMS Provider.
 - e. This type of course would be similar to what is already in place for fire and police chiefs in Texas.
2. **Geographic Limitations and Local Input:** Items such as determining a need for more providers in an area, an agency's provider license being somewhat geographically limited and local and/or regional input into the EMS Provider license application can provide more avenues to address large increases in certain metropolitan areas, even if those areas do not have the political will or capability to limit it themselves.
 3. **Background Checks on New Applicants:** The listed responsible people on all EMS Provider License applications should have background checks completed prior to granting a license. If criminal offenses are found, the applicant would then complete the same process for granting a license as EMS Certificants.
 4. **Performance Security for new EMS Transport Providers:** We would like to explore a process that would require all NEW applicants for EMS Provider Licensing to submit some type of security payable to the Department of State Health Services as a part of their licensing package. This security should be in place for the full two years of the initial provider license period **only**. If the Provider defaults during this initial two year period, the security would be used by DSHS to insure that the employees and other interested parties as defined by rule were paid. We envision this working much like the bond required for EMS Subscription Programs. Having the capacity to obtain this security would be another assurance that the provider applicant was legitimately prepared for this business.
 5. **Compliance Plan and Compliance CE:** The Center for Medicare and Medicaid Services requires that all healthcare providers have a compliance plan and that plan is followed. We believe that DSHS should make not only this plan a part of the EMS Provider packet, but the EMS Administrator and/or Compliance Officer should be required to complete CE annually in regards to regulatory changes and compliance. This is an effort to make sure the individuals who are assigned these tasks are aware of their responsibility and liability.
 6. **Business Plan:** The TAA supports DSHS implementing a rule that would require all new EMS Provider applicants to submit a business plan that has been certified by a Certified Public Accountant. It is our recommendation that the CPA would certify these plans in accordance with the Small Business Administration's guidelines.
 7. **Post Licensing Evaluation:** Within 90 to 180 days after a new EMS Provider begins operation, DSHS or their designee will make a secondary sight visit for licensing verification. This secondary visit will be to verify that all aspects of the EMS Provider's application are still valid and in place. This would include a visit with the agency's Medical Director, review of PCR's and their quality improvement process as well as vehicle and records inspections. This type of visit, taken from hospital licensing will be in addition to the original visit done by DSHS regulatory prior to granting of the initial Provider's License.
 8. **Increased Accountability on EMS Personnel:** The TAA firmly supports increasing the levels of personal accountability on EMS certified personnel working for an EMS Provider. If the certified person has personal risk, they will not be as willing to operate in inappropriate conditions. Often employees do not condone the behavior of their employer, but notifying DSHS could be detrimental to their employment. Often times, their financial need outweighs their desire to do

the right thing and with no personal risk, they continue operating in inappropriate conditions. And, sometimes an employee report is generated but not until that person is no longer with the company, increasing the length of time that the company has been engaged in fraudulent behavior, the numbers of patients endangered and the amount of money lost by the state to these fraudulent activities. Increasing accountability on certified personnel will assist in identifying poorly functioning EMS Providers by providing an incentive to medics to report inappropriate providers in real time.

This plan is presented as concepts at this time. We have done a great deal of work in formulating many of these, but the desire to keep this letter brief forbids going into more detail. These ideas also go hand in hand with other work we are doing with the Health and Human Services Commission regarding proper reimbursement practices and processes. We look forward to our scheduled meeting with you and your staff in late April to share more information on all of these ideas and to discuss how we can move forward together to address the ever growing illegitimate provider issue. By working together, we can make a significant difference in the ambulance industry in Texas.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'David A. Taylor', written over a horizontal line.

David A. Taylor
President
Texas Ambulance Assoc.