

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE COMMISSIONER OF HEALTH

In the Matter of the License
Application of Naeve Ambulance,
Albert Lea, Minnesota

FINDINGS OF FACT,
CONCLUSIONS AID
RECOMMENDATION

The above-entitled matter came on for hearing before Administrative Law Judge Peter C. Erickson at 7:00 p.m. on Tuesday, February 2, 1993, in Courtroom I of the Freeborn County Courthouse, Albert Lea, Minnesota, The record on this matter was closed on February 5, 1993, after submission of an Affidavit of Publication by the Applicant herein.

Bradley Hallum, Ambulance Coordinator, Lynn Koza, Outpatient Nurse, and John Tveite, Medical Director, appeared and testified on behalf of the Applicant, Naeve Ambulance Service, 404 Fountan, Albert Lea, Minnesota 56007, There were no intervenors in this matter and no one expressed any written or oral objection to the application

This Report is a recommendation, Rot a final decision. The Commissioner of Health will make the final decision after a review of the record which may adopt, reject or modify the Findings of Fact, Conclusions, and Recommendations contained herein. Pursuant to Minn- Stat. 14.61, the final decision of the Commissioner of Health shall not be made until this Report has been made available to the parties to the proceeding for at least ten days- An opportunity must be afforded to each party adversely affected by this Report to file exceptions and present argument to the Commissioner of Health. Parties should contact Marlene Marschall, Commissioner of Health, 717 Delaware Street S.E., Minneapolis, Minnesota 55440, to ascertain the procedure for filing exceptions or presenting argument.

STATEMENT OF ISSUE

The issue in this proceeding is whether the Applicant's application for licensure as an Advanced Life Support (ALS) service should be granted pursuant to the standards set forth in Minn. Stat. 144.802, subd, 3(g).

Based upon the record herein, the Administrative Law Judge makes the

following:

FINDINGS OF FACT

BACKGROUND AND PROCEDURAL HISTORY

1. The Applicant currently provides Basic Life Support (BLS) services with some variances to all of Freeborn County and the City of Albert Lea. Its base of operations is located at Naeve Hospital in Albert Lea. Naeve Ambulance does, however, have five first-responder squads available in the cities of Glenville, Hollandale, Alden, Hartland, and Albert Lea. In late 1992, the Applicant submitted an Application for Licensure as an ALS ambulance service to the Minnesota Department of Health. The Applicant is requesting that it be granted licensure to provide ALS ambulance service for its primary service area (PSA) of Albert Lea and Freeborn County-

2, On January 3, 1993, Marlene E. Marschall, Commissioner of the Minnesota Department of Health, issued a Notice of Completed Application and Notice of and Order for Hearing setting the hearing on this matter for February 2, 1993, at the Freeborn County Courthouse in Albert Lea, Minnesota. Notice of the hearing was published in the Albert Lee Tribune (Freeborn County) on January 13 and 20, 1993, as well as in the January 11, 1993 issue of the State Register, Notice of the hearing was also served upon: The Board of County Commissioners for Freeborn County; the Freeborn County Community Health Board; the Southeast Minnesota EMS Joint Powers Board; all bordering ambulance services; and the mayors of Albert Lea, Alden, Clarks Grove, Conger, Emmons, Freeborn, Geneva, Hartland, Hayward, Hollandale, Manchester, Myrtle, and Twin Lakes,

RELATIONSHIP TO COMMUNITY-HEALTH PLAN

3. The Applicant presently operates in the Southeast Minnesota EMS Region. The requested change from BLS to ALS service will enable the Applicant to offer a higher level of patient care and provide the citizens of Albert Lea and Freeborn County with advanced levels of pre-hospital care. The Applicant estimates that it will make 196 advanced runs and 260 specialized advanced runs in the next year. Its primary service area consists of approximately 56,509 full-time residents and 40,289 visitors during the year. Its maximum response time within the PSA is twenty minutes and the average response time is six minutes. Linda Horth, EMS Regional Coordinator, submitted a letter supporting the application herein and stating that the proposed upgrade of services "would benefit the patients in Albert Lea and the surrounding areas,"

4. There is nothing in the record to show whether Freeborn County has a community health service plan or the relationship of the application to that plan.

COMMENTS OF GOVERNING BODIES AND PUBLIC OFFICIALS

5. The Applicant received several letters in support of its application for licensure as an ALS ambulance service. Letters of support included letters from: Donald Nolander, Jr., Freeborn County Sheriff; Clarence Ayers,

Albert Lea Chief of Police; Paul Sparks, City Manager of Albert Lea; and the Freeborn County Board of Commissioners. Additionally, the Director of the Austin Ambulance Service and the Captain of the Freeborn Ambulance Service submitted letters in support of the proposed licensure.

6. No public official or municipality or county opposed the granting of the application.

DELETERIOUS EFFECTS FROM DUPLICATION_OF AMBULANCE SERVICES

7, The Applicant is the only provider of BLS services for the City of Albert Lea and Freeborn County including the cities of Glenville, Twin Lakes, Emmons, Alden, Hartland, Geneva, Hollandale, Hayward, Myrtle, and Clarks Grove. At the present time, if ALS services are required, ambulance services outside of Applicant's PSA must be called to provide those services (Gold Cross in Rochester). Otherwise, a nurse or nursing staff members must be utilized to ride along on the runs. If the proposed application is granted, there will be no duplication of services in the PSA.

ESTIMATED EFFECT ON THE PUBLIC HEALTH

8. The Applicant is a hospital-based service with full emergency room facilities. Upgrading the Applicant's service to ALS will have a positive effect on the morbidity and mortality of the population which it currently services. The demographics in Freeborn County show that in 1960, only 10 percent of the population was age 65 and over, At the present time, 19 percent of the population is age 65 and over. In the event of cardiac-related emergencies, which are more frequent in an elderly population, the sooner that ALS level care is rendered to the patient, the better the chances for survival. Additionally, the proposed ALS service will positively benefit those who are critically ill and/or injured when transport to health care facilities is required. Advanced level skills will have a positive impact on the survivability of patients, The Judge specifically finds that granting the licensure requested herein will have a positive effect on the public health for the population in Freeborn County.

BENEFIT TO PUBLIC HEALTH VS, COST OF THE PROPOSED SERVICE

9. The Applicant estimates that the cost of upgrading from BLS to ALS service will be minimal. Because approximately 74 percent of the patients that the Applicant transports currently are Medicare, Medicaid or private insurance patients, the increased cost will, in large part, not be borne by the patients themselves. However, the Judge finds that the benefit to the public health of an ALS ambulance service in Freeborn County greatly outweighs the minimal additional cost of the proposed service. These benefits will have a positive impact on the public health and medical community.

Based upon the foregoing Findings of Fact, the Administrative Law Judge makes the following:

CONCLUSIONS

1. The Administrative Law Judge and the Commissioner of Health have jurisdiction in this matter pursuant to Minn. Stat. 144.50 and 144.802. The Notice of Hearing was proper in all respects and all procedural and substantive requirements of law and rule have been fulfilled.

2. Minn, Stat. 144.802, subd. 3(g) provides:

The administrative law judge shall review and comment upon the application and shall make written recommendations as to its disposition to the commissioner within 90 days of receiving notice of the application. In making the recommendations, the administrative law judge shall consider and make written comments as to whether the proposed service, change in base of operations, or expansion in primary service area is needed, based on consideration of the following factors:

- (1) the relationship of the proposed service to the current community health plan as approved by the commissioner under section 145.918;
- (2) the recommendations or comments of the governing bodies of the counties and municipalities in which the service would be provided;
- (3) the deleterious effects on the public health from duplication, if any, of ambulance services that would result from granting the license;
- (4) the estimated effect of the proposed service . on the public health;
- (5) whether any benefit occurring to the public health would outweigh the costs associated with the proposed service . . .

The administrative law judge shall recommend that the commissioner either grant or deny a license or recommend that a modified license be granted, . . .

3. The Judge concludes that the Applicant has fully demonstrated that the licensure requested is needed and will benefit the public health in the area to be served. No one has objected to the application herein or filed any comments reflecting negatively on any of the factors set forth in Minn. Stat,

144.802, subd. 3(g). The record in this matter shows clearly that all of those statutory factors weigh in favor of granting the application.

Based upon the foregoing Conclusions, the Administrative Law Judge makes the following:

RECOMMENDATION

IT IS HEREBY RESPECTFULLY RECOMMENDED that the Commissioner of Health grant the application of Naeve Ambulance to provide ALS services in Freeborn County as requested herein.

Dated this 18th day of February, 1993,

PETER C. ERICKSON

Administrative Law Judge

NOTICE

Pursuant to Minn. Stat, 14.62, subd. 1, the agency is required to serve its final decision upon each party and the Administrative Law Judge by first class mail.

Reported i Taped, no transcript prepared.