Rule Summary and Fiscal Analysis (Part A)

Ohio Medical Transportation Board

Agency Name

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Division

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<u>4766-2-09</u> <u>AMENDMENT</u>

Rule Number TYPE of rule filing

Rule Title/Tag Line <u>Maintenance documentation.</u>

RULE SUMMARY

- 1. Is the rule being filed for five year review (FYR)? Yes
- 2. Are you proposing this rule as a result of recent legislation? No
- 3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: 119.03
- 4. Statute(s) authorizing agency to adopt the rule: 4766.03
- 5. Statute(s) the rule, as filed, amplifies or implements: 4766.04, 4766.07
- 6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

This rule is being filed according to a R.C. 106.03 periodic rule review.

- 7. If the rule is an AMENDMENT, then summarize the changes and the content of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:
 - O.A.C. 4766-2-09 sets forth the documentation that licensed medical transportation

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organizations (MTOs) are required to maintain related to the inspection conducted at least annually on each of their ambulance and non-transport vehicles, which includes: the "Periodic Mechanical Safety Report" signed by mechanic who completed the inspection; documentation of corrections made to failed items identified during the periodic mechanical safety inspections; "out of service" signs on permitted vehicles that have been removed from service; and documentation about the periodic maintenance and repair of biomedical and patient care equipment. The rule sets a document retention period of twelve months after a vehicle is removed from service.

O.A.C. rule 4766-2-09, as written, requires that medical transportation organizations "ensure performance and maintenance documentation of all periodical maintenance and repairs on each permitted vehicle." This amendment changes the word "periodical" to "periodic" and incorporates information about the "Periodic Mechanical Safety Report" form, which has been added as required documentation. The new form will standardize the information collected, which will include the name of the business and the name of the person performing a service or repair. The revisions set forth a schedule for periodic mechanical safety inspections to document an annual inspection of each permitted vehicle within six months of the MTO's license expiration date; or, for vehicles with an odometer reading of 150,000 miles or more, every 25,000 miles; or, prior to an initial permit being issued for vehicles with an odometer reading of 12,000 miles or more. The rule describes the qualifications for mechanics who conduct periodic mechanical safety inspections and clarifies that the periodic mechanical safety inspections are conducted in addition to the vehicle and equipment inspections conducted by the board or its designee as set forth in rule O.A.C. 4766-2-08. Patient care equipment is added as a category for which maintenance and repair documentation, to include at minimum dates, descriptions, documentation of inspection, service, and/or repair and the name of the person performing the inspection, service, and/or repair, is maintained.

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

This rule incorporates the "Periodic Mechanical Safety Report" form. To comply with sections 121.71 to 121.74 of the Revised Code, this rule refers readers to rule 4766-2-18, which provides the date of the form and the Web site addressed where it may be located.

9. If the rule incorporates a text or other material by reference, and it was

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infeasible for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

If not, why, and how will the materials be accessed? O.A.C. 4766-2-09 refers readers to O.A.C. 4766-2-18, Incorporated by reference, which incorporates the "Periodic Mechanical Safety Report" dated May 2016 form and provides the Division of EMS "Forms & Applications" Web site--http://www.ems.ohio.gov/forms.aspx--where it can be accessed.

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

Not Applicable.

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so. If applicable, indicate each specific paragraph of the rule that has been modified:

Not Applicable.

12. Five Year Review (FYR) Date: 1/13/2017

(If the rule is not exempt and you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: If the rule is not exempt at the time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

FISCAL ANALYSIS

13. Estimate the total amount by which *this proposed rule* would **increase / decrease** either **revenues / expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will have no impact on revenues or expenditures.

0.00

This rule is not expected to impact the agency's budget in the current biennium.

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14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

Not applicable.

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

The addition of required periodic mechanical safety inspections included in the proposed rule O.A.C. 4766-2-09 will result in employer time and/or expense. The costs will vary depending on the structure and size of each business. Some MTOs employ mechanics who will be qualified to complete the periodic mechanical safety inspections, or MTOs may choose to have vehicles inspected by mechanics at auto service facilities, chain repair stores, dealerships, or independent garages. An August 15, 2015 article posted by Edmunds.com

(http://www.edmunds.com/car-buying/inspect-that-used-car-before-buying.html) states that the cost of a pre-purchase inspection for a personal vehicle "is about \$100, roughly the costs of an hour#s labor for a mechanic." A February 2012 J.D. Powers' article (http://www.jdpower.com/cars/

articles/tips-advice/used-car-pre-purchase-inspection) reports that a basic pre-purchase inspection, including a test drive, will cost \$100-to-\$200. The president of an ambulance company--a stakeholder who submitted a comment about the O.A.C. Chapter 4766-2 rules--estimated an average cost of \$75-to-\$100 per hour for a vehicle inspection at his local garage. It is likely that MTOs can negotiate the fees for periodic mechanical safety inspections with the auto service facilities, chain repair stores, dealerships, or independent garages that service their vehicles.

Members of the Medical Transportation Committee, who are owners and administrators for medical transportation agencies as well as representatives of the industry, report that they routinely conduct periodic mechanical safety inspections and believe it to be essential for maintaining and operating a medical transportation service.

The Division of EMS estimates that these rules will not result in any undue cost of compliance or adverse impact. The Medical Transportation Committee proposed rules requiring periodic mechanical safety inspections for MTO vehicles with consideration of its goal to avoid putting "undue financial burden on all providers." MTOs that are already performing periodic inspections to assure the mechanical safety and roadworthiness of their vehicles will not see a significant change in the cost. MTOs that begin performing mechanical safety inspections will have an added expense, but one that is essential to medical transportation organizations and the public who rely on their services.

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In addition, O.A.C. 4766-2-09 requires medical transportation organizations to maintain specific documentation that is subject to inspection.

- 16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? N_0
- 17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? N_0

S.B. 2 (129th General Assembly) Questions

- 18. Has this rule been filed with the Common Sense Initiative Office pursuant to R.C. 121.82? Yes
- 19. Specific to this rule, answer the following:
- A.) Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? N_0
- B.) Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? Yes
 - O.A.C. 4766-2-09 requires medical transportation organizations (MTOs) to comply with inspection requirements for vehicles and equipment in order to obtain and maintain an ambulance or mobile intensive care permit. As set forth in rule O.A.C 4766-2-17, the EMFTS board may, pursuant to an adjudicatory hearing under Chapter 119. of the Revised Code and section 4766.08 of the Revised Code, and by a vote of the majority of all members, suspend, revoke, or refuse to renew any license or permit or issue a fine not to exceed more than fifteen hundred dollars, for any violation of R.C. Chapter 4766. or the rules adopted thereunder, including this rule. Failure to comply, when it results in an MTO operating an ambulance or mobile intensive care vehicle without a permit, may result in the MTO being sanctioned and/or fined.
- C.) Does this rule require specific expenditures or the report of information as a condition of compliance? Yes

The addition of required periodic mechanical safety inspections included in the proposed rule O.A.C. 4766-2-09 will result in employer time and/or expense. The costs will vary depending on the structure and size of each business. Some MTOs employ mechanics who will be qualified to complete the periodic mechanical safety

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