LEGISLATIVE FISCAL ESTIMATE  
[Second Reprint]  
SENATE, No. 1650  
STATE OF NEW JERSEY  
215th LEGISLATURE  

DATED: NOVEMBER 1, 2012  

SUMMARY  

Synopsis: Revises requirements for emergency medical services delivery.  

Type of Impact: A probable increase in administrative and training costs to State and local entities.  

Agencies Affected: Department of Health (DOH), Division of State Police in the Department of Law and Public Safety, and local government entities.  

Office of Legislative Services Estimate  

<table>
<thead>
<tr>
<th>Fiscal Impact</th>
<th>Years 1-3</th>
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</thead>
<tbody>
<tr>
<td>State Cost</td>
<td>Indeterminate increase.</td>
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<tr>
<td>State Revenue</td>
<td>Indeterminate increase.</td>
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<tr>
<td>Local Cost</td>
<td>Indeterminate impact.</td>
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- The bill may increase State costs associated with several administrative functions required by the bill. Costs associated with licensure and criminal history record background checks may be partially offset by State revenue from fees.  

- The bill may increase the cost of providing emergency medical services due to implementation of new State standards. Some of the increased costs could be borne by local government entities.  

BILL DESCRIPTION  

Senate Bill No. 1650 (2R) of 2012 provides a new statutory approach to the regulation of emergency medical services that encompasses basic and advanced life support services and governs the qualifications, training, and operations of paramedics, emergency medical technicians (EMTs), and emergency medical responders. Among the significant changes, the bill:
• Designates the Office of Emergency Medical Services in DOH to serve as the lead State agency for the oversight of emergency medical services delivery in the State, including both direct services and support services and funding;
• Directs the Commissioner of Health to appoint a New Jersey-licensed physician with experience in the medical oversight of emergency medical services delivery as State Medical Director for Emergency Medical Services. The State medical director will assume responsibility for medical oversight of emergency medical services delivery in the State, and is authorized to appoint up to three regional medical directors to provide medical oversight of emergency medical services delivery in their respective geographic areas as defined by the State medical director;
• Directs the commissioner to ensure or arrange for the provision of advanced life support pre-hospital care in response to 9-1-1 calls within the State;
• Requires that paramedics who staff mobile intensive care units, EMTs who staff licensed ambulances, and emergency medical responders to 9-1-1 calls be licensed by the commissioner and undergo criminal history record background checks. An EMT who is a member of a volunteer first aid, ambulance, or rescue squad is exempt from having to assume any costs for licensure, and any member of a volunteer first aid, ambulance, or rescue squad is exempt from having to assume any costs for the criminal history record background check;
• Authorizes a paramedic to perform advanced life support services in certain situations;
• Adopts new requirements with respect to mobile intensive care programs operated by hospitals;
• Establishes a 16-member Emergency Medical Care Advisory Board (EMCAB) with various administrative and policy responsibilities and duties, including advising the commissioner; and
• Directs the commissioner to submit an annual report to the Governor and the Legislature, which includes certain information including funding requirements.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received, though some informal information was provided by the DOH.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services (OLS) cannot determine the fiscal impact of the bill on State or local government entities, but notes that administrative costs for several purposes will increase.

The DOH will incur costs in processing applications for licensure by paramedics, EMTs, and emergency medical responders. The DOH may levy licensure fees to offset these costs, except that an EMT who is a member of a volunteer first aid, ambulance, or rescue squad is exempt from having to assume any costs for licensure; the costs associated with exempted applicants may be offset by increased licensure fees on non-exempt applicants. Informal information from the DOH indicates that there are currently approximately 15,000 volunteers who would be required to be licensed under the bill, but it is not known how many of these 15,000 would apply for licensure and how many would instead stop volunteering. The OLS does not have
information on the amount of fee that would be charged for license applications. Currently, paramedics and EMTs are not charged a fee for certification.

State costs associated with criminal history record background checks, performed by the Division of State Police, are normally offset by fees pursuant to N.J.A.C.13:59-1.3. The bill exempts any member of a volunteer first aid, ambulance, or rescue squad from having to assume any costs for the required criminal history record background check, though it does not specify which entity would bear the resulting additional costs. Currently, fees for criminal history record background checks for volunteers total $55.25 to $65.25 (including an $18 fee for the State check for volunteers, a $15.25 fee for the federal check, an $11 processing fee for each check paid to the State contractor that performs the fingerprint scan, and an optional $10 State flagging fee, which allows an employer to be notified in the event of a change in the individual’s criminal history record). The State fees may be waived, effectively causing the Division of State Police to incur the cost of processing the check without offsetting revenue. Other costs could possibly be absorbed by DOH, the Division of State Police, local governments, or the volunteer first aid, ambulance, or rescue squads. If approximately 15,000 volunteers would be required to submit to these checks initially and most of these applicants pay the flagging fee, total initial State costs may be as high as $1 million. Costs in subsequent years will depend on the duration of the term of licensure determined by the Commissioner of Health, and on the number of new license applicants.

The bill creates the position of State Medical Director for Emergency Medical Services and authorizes the appointment of up to three regional medical directors, all of whom would be salaried State employees. The members of the EMCAB are to serve without compensation but must be reimbursed for necessary expenses incurred in the performance of their duties and within the funds available to EMCAB. Assuming that the four medical directors are compensated similarly to other medical directors in the DOH, salary and fringe benefit costs would total approximately $600,000 per year.

The DOH may incur indeterminate costs in relation to the collection, recording, and reporting of data regarding pre-hospital or inter-facility care.

The OLS notes that minimum standards for training, response times, equipment, and quality of care with respect to basic life support pre-hospital care and advanced life support pre-hospital care, to be established by regulation, may increase the cost of providing emergency medical services. Some of the increased costs may be borne by local government entities that fund local emergency medical services. The OLS is not able to estimate the fiscal impact of these new standards, as information is not available on the standards that would be promulgated, the degree to which current providers of emergency medical services would meet those standards, or the cost to train providers to meet those standards.

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Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).