

BEFORE THE DIRECTOR
OF THE ARIZONA DEPARTMENT OF HEALTH SERVICES

PURSUANT TO the authority granted to the Director of the Department of Health Services (“Director” or “Department”) by Arizona Revised Statutes (“A.R.S.”) §§ 36-2232 and -2233, and

IN CONSIDERATION OF the Kane County Human Resource Special Service District, d.b.a., Kane County Hospital's application for Certificate of Necessity ("C.O.N") to operate an ambulance service in Arizona (the "Application"), dated October 1, 2024, and all materials and communications received therefrom in conjunction of the Application, the Department considered the Application and makes the following findings:

THE DEPARTMENT FINDS:

- A. The Applicant has submitted an application for an initial C.O.N. *See* Arizona Administrative Code (“A.A.C.”) R9-25-902.
- B. The Applicant has applied for authorization to provide ALS and BLS services as the level of service. *Id.*
- C. The Applicant has applied to provide immediate response transports and interfacility transports as the type of service to be provided within its proposed service area. *Id.*
- D. The Applicant did not apply to provide convalescent transports within the proposed service area. *Id.*
- E. The Applicant has applied to provide services 24 hours per day – 7 days per week for its hours of operation. *Id.*
- F. The Applicant has requested the following legal address: P.O. Box 494, Fredonia, Arizona 86022. *Id.*

1 G. The Applicant requested the following proposed service area in accordance with A.R.S.
2 § 36-2233(I):

3 Starting in the Northwest with the incorporated areas of the town of Fredonia, AZ.
4 Proceeding south-southeast along State Hwy 89A from the boundaries of Fredonia or
5 approximately milepost 608.5 (or -112.215,36.714). Continuing along Hwy 89A in an
6 east-northeast direction to the intersection of the Colorado river at approximately
7 Milepost 538. Additionally, the area including the main hospital campus of Banner Page
8 Hospital (501 North Navajo Drive) in Page, Arizona is to be included for the purposes
9 of interfacility transport.

10 H. The Applicant has requested the following response times, in accordance with A.R.S. §
11 36-2232(A)(3); A.A.C. R9-25-901(35) and (37), A.A.C. R9-25-902(A)(2)(p) and
12 A.A.C. R9-25-906:

13 Calls within Fredonia Town Limits:

14 Emergent Calls:

15 a. Fifteen (15) minutes on eighty (80) percent of responses.
16 b. Twenty (20) minutes on ninety (90) percent of responses.

17 Non-emergent Calls:

18 a. Twenty (20) minutes on eighty (80) percent of responses.
19 b. Thirty (30) minutes on ninety (90) percent of responses.

20 Non-emergent requests for Interfacility Transfers:

21 a. Sixty (60) minutes on eighty (80) percent of responses.
22 b. Ninety (90) minutes on ninety (90) percent of responses.

23 All calls located in areas designated as "Wilderness":

24 a. One hundred and twenty (12) minutes on eighty (80) percent of responses.
25 b. Two hundred and forty (240) minutes on eighty-five (85) percent of responses.

1 I. The Applicant indicated that it will not offer ambulance subscription service contracts
2 under A.R.S. §§ 36-2232(A)(1) and 36-2237(B).

3 J. The Applicant has requested the following rates and charges:

4 Applicant Proposed Rates and Charges:

i.	Applicant life Support Base Rate	\$2,1404.00
ii.	Basic Life Support Base Rate	\$1,090.00
iii.	Mileage Rate (Per loaded patient mile)	\$42.24
iv.	Standby Waiting Charge (per hour)	\$272.50
v.	Subscription Service	N/A
vi.	Disposable Supplies, Medical Supplies Medication, and Oxygen related costs	No Charge

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2 The Applicant's proposed rates and charges have been reviewed and analyzed by the
3 Bureau, as set forth below, pursuant to A.R.S. §§ 36-2232(A)(1), 36-2239(I); A.A.C.
4 R9-25-902, A.A.C. R9-25-1101 *et seq.*, and R9-25-1109, *et seq.* The Bureau's analysis
5 of rates and charges is based upon a review of the projected (proposed) statistical and
6 financial data filed on October 1, 2024, and additional information provided on April 9,
7 2025 and May 28, 2025.

8 **Bureau Recommended Rates and Charges:**

i.	Applicant life Support Base Rate	\$2,510.45
ii.	Basic Life Support Base Rate	\$1,320.30
iii.	Mileage Rate (Per loaded patient mile)	\$20.66
iv.	Standby Waiting Charge (per hour)	\$330.68
v.	Subscription Service	N/A
vi.	Disposable Supplies, Medical Supplies Medication, and Oxygen related costs	No Charge

10 K. The Applicant is proposing rates that are comparable to C.O.N. that operate an
11 ambulance service in the proposed service area, stating that:

12 "Kane County Human Resource Special Service District d/b/a Kane County Hospital
13 ("KCH") is the primary provider of ground ambulance services within the greater Kane
14 County, Utah area, duly licensed by the Utah Department of Health and Human
15 Services Office of Emergency Medical Services and Preparedness. KCH has provided
16 this service for many years, caring for thousands of patients throughout this time. In
17 recent years, KCH has augmented its deployment model to one of full-time EMS
18 personnel 24/7/365, supplemented by a cadre of volunteer EMS professionals. This
19 model has shown itself to be effective at meeting the needs of the communities and
20 visitors KCH serves.

21 Throughout this growth journey, KCH has also regularly responded into parts of
22 northern Arizona when requested to provide ground ambulance services. This includes
23 the areas of Fredonia, Jacob Lake, Lee's Ferry, Marble Canyon, and "The Wave". KCH
24 has also responded to requests for ground ambulance rendezvous with National Park
25 Service ambulance service at the North Rim of the Grand Canyon. Due to the unique
geography of this portion of northern Arizona, KCH is typically the closest provider of
ground ambulance services in these situations. Historically, these requests have been
intermittent and infrequent, amounting to just a few times per year.

26 However, since approximately 2019/2020, KCH has seen demand for ground ambulance
27 service increase at a rapid pace. Calls for service have increased 20% year-over- year
28 since that time, with no indication of slowing. This growth has been evident in both
29 Utah requests and those in Arizona as described above. As a result, what was once an
30 occasional "good neighbor" response for service in Arizona has come to comprise more
31 than 20% of all KCH ground ambulance responses in CY2022 and CY2023. Given

1 these factors, KCH leadership has chosen to pursue agency designation through the
2 Arizona Department of Health Services Bureau of EMS and Trauma Systems as a
3 holder of a Certificate of Necessity for the area which KCH has been serving for many
4 years.”

5 L. The Applicant has provided information to demonstrate the fit and proper status of the
6 Applicant’s organizational expertise, integrity, fiscal competence, and resources to
7 provide the services proposed. *See A.R.S. § 36-2201(22).*

- 8 a. The Applicant is a registered EMS and Ambulance provider in Utah and holds a
9 temporary C.O.N. in Arizona effective September 2025 for ground ambulance
10 service and renewed in December 2025. *See A.R.S. § 36-2242.*
- 11 b. The Applicant provided resumes and bios of its key leadership personnel with
12 demonstrated experience in ambulance service and operation.
- c. The Applicant has provided an attestation that they will comply with the
13 Department’s statutes and rules in any matter relating to or affecting the ground
14 ambulance service and that all documents included in the application were from
15 records that had been verified and are correct.
- d. The Applicant has provided forecasted ambulance revenue and cost report for
16 the first year of service, audited financial statements, in addition to information
17 regarding capital resources and financial reserves.

18 M. The Applicant has provided documents to demonstrate the public necessity for the
19 services proposed in the Application and supporting documentation and that such
20 services would be in the public’s best interest. The Department considered all the
21 applicable requirements for public necessity to ensure quality patient care. *See A.A.C.*
22 R9-25-901(36) and A.A.C. R9-25-906(A)-(B) including:

- 23 a. The proposed response times and compliance percentages proposed by the
24 applicant and current response times and compliance percentages achieved
25 through 9-1-1 and interfacility transport in all or part of the service area as well
as the priority that will be assigned to the response.
- b. The Department reviewed a map of the proposed service area and determined
that there is a gap in service along State Highway 89A and the Town of
Fredonia.
- c. The Department reviewed the information required according to A.A.C. R9-25-
906(B) to determine whether to issue a certificate of necessity to more than one
ground ambulance service for the same service area or overlapping service area.
With the exception of the area including the main hospital campus of Banner
Page Hospital, which is currently covered under C.O.N. #102 City of Page Fire
Department, the Applicant’s proposed service area is unserved.
- d. The Department reviewed the Applicant’s plans for implementation, taking into
consideration the stability and consistency of service provision. The Applicant
provided a deployment plan including 7 appropriately equipped Arizona-
registered ambulances and staff certified to practice in Arizona.
- e. The Department reviewed historical and current certified response times in the
proposed service area and determined the current overlapping C.O.N. holder has

1 non-urgent transfer arrival times listed on their certificate. The Department
2 reviewed response time compliance reports and other documentation submitted
3 by the current C.O.N. holders in the proposed service area and found that: one
4 overlapping C.O.N. holder (C.O.N. #102) and one abutting (C.O.N. #22) C.O.N.
5 holder are compliant with their response times. Additionally, the Department
6 found that overlapping C.O.N. holder #102 is in compliance with Articles 2, 10,
7 and 11 and A.R.S. Title 36, Chapter 21.1. *See* A.A.C. R9-25-906(B)(6) and
8 (12).

9 f. The Department reviewed how the Applicant plans to interact with the ground
10 ambulance service currently providing services in all or part of the service area.
11 The Applicant provided a letter of support from abutting C.O.N. #22 Colorado
12 Hilldale Fire Department indicating intent to enter into mutual aid agreement for
13 the service area granting of a C.O.N. to the applicant. *See* A.A.C. R9-25-
14 906(B)(7).

15 g. The Department reviewed the statement provided by the Applicant regarding the
16 financial impact on certificate holders whose service area includes all or part of
17 the service area in the requested certificate of necessity. The applicant identified
18 that there is no financial impact to other C.O.N. holders in the proposed area as
19 there is currently no C.O.N. serving the area except for the Hospital campus in
20 Page which is currently receiving service from C.O.N. 102 for emergent and
non-emergent interfacility services. *See* A.A.C. R9-25-906(B)(9).

21 h. The Department reviewed documentation submitted by the Applicant and
22 information received by Interested Parties.

23 N. The Department provided timely notice to Interested Parties according to A.R.S. § 36-
24 2233(C), (D) and (E), and allowed Interested Parties to provide information for the
25 Department to consider in this matter.

26 O. Interested Parties provided (1) letter for the Director's consideration during the
27 application process. The letter was received from The City of Page opposing part of the
28 applicant's service area covered by City of Page. No letters of support were provided in
29 the application.

30 P. Details of the Applicant's request for an initial C.O.N. and the establishment of initial
31 general rates and information submitted by the Applicant and Interested Parties are open
32 to the public and are contained in its Application on file with the ADHS Bureau of EMS
33 and Trauma System and Clerk of the Department, Office of Administrative Counsel and
34 Rules, Arizona Department of Health Services, 150 N. 18th Ave., Room 540, Phoenix,
35 Arizona 85007.

36 **Determining Public Necessity and Fit and Proper (A.R.S. §§ 36-2201(22), 36-2233; and**
37 **A.A.C. R9-25-905(E), R9-25-906)**

38 In determining to grant the Certificate of Necessity (C.O.N.), the Department considered
39 the factors outlined under A.R.S. § 36-2233(F), A.A.C. R9-25-905 and R9-25-1201 and found
40 that:

1. Public necessity requires the service or any part of the service proposed by the Applicant pursuant to A.R.S. § 36-2233(F)(1), based on the definition found in A.A.C. R9-25-901(36) and the factors set forth in A.A.C. R9-25-906.

The Department found that there is an identified need and gap in service for the following area proposed by the applicant:

Starting in the Northwest with the incorporated areas of the town of Fredonia, AZ. Proceeding south-southeast along State Hwy 89A from the boundaries of Fredonia or approximately milepost 89A from the boundaries of Fredonia or approximately milepost 608.5 (or -112.504,36.934), with a 0.25-mile buffer, to the intersection of Hwy 67 at approximately (-112.215,36.714). Continuing along Hwy 89A in an east-northeast direction to the intersection of the Colorado river at approximately Milepost 538.

The Department was not able to determine need for an additional service provider for the proposed area of:

The main hospital campus of Banner Page Hospital (501 North Navajo Drive) in Page, Arizona for interfacility transport.

2. The Applicant is fit and proper to provide the services proposed by the application, as required by A.R.S. 36-2233(F)(2). Fit and proper means that the Director of the Department determines that the Applicant has the expertise, integrity, fiscal competence, and resources to provide the proposed ambulance service in the proposed service area. A.R.S. § 36-2201(22).
3. The Applicant has paid the appropriate fees pursuant to A.R.S. § 36-2240.
4. The Applicant has complied with A.R.S. Title 36, Chapter 21.1 and A.A.C. Title 9, Chapter 25 and submitted a complete application according to A.A.C. R9-25-902 and R9-25-1201.

THEREFORE, IT IS HEREBY ORDERED GRANTING the Applicant's request to be issued an initial C.O.N. and to establish initial rates as set-forth above:

For the proposed service area of:

Starting in the Northwest with the incorporated areas of the town of Fredonia, AZ. Proceeding south-southeast along State Hwy 89A from the boundaries of Fredonia or approximately milepost 608.5 (or -112.504,36.934), with a 0.25-mile buffer, to the intersection of Hwy 67 at approximately (-112.215,36.714). Continuing along Hwy 89A in an east-northeast direction to the intersection of the Colorado river at approximately Milepost 538.

IT IS FURTHER ORDERED THAT the Applicant must comply with the following Certificate of Necessity terms:

An initial C.O.N. shall be issued for a term of one year. See A.R.S. § 36-2235.

1 To maintain a C.O.N. to operate an ambulance service in Arizona, the Applicant must
2 remain compliant with all requirements under A.R.S. Title 36, Chapter 21.1. and A.A.C.
Title 9, Chapter 25.

3 As a special condition of approval of the application, the Applicant must complete the
4 following during the first-year term to be eligible for C.O.N. renewal thereafter. *See*
A.A.C. R9-25-902(D):

5 The Applicant must submit quarterly reporting of response time compliance and
6 interfacility performance in a department-approved format in the EMS Portal at
ems.azdhs.gov at the following quarterly reporting intervals. *See* A.A.C. R9-25-
9902(D), R9-25-908(G), and R9-25-908(H).

7 The Applicant shall notify the Department of changes in resource levels and maintain
8 records and ensure adequate staffing to provide ground ambulance service by updating
9 the *Provider Roster under Personnel* in the EMS Portal at ems.azdhs.gov. *See* R9-25-
908(B) and R9-25-908(C).

10 The Applicant shall notify the Department no later than thirty days after a change of
11 location and number of suboperation stations by updating information in the EMS Portal
12 at ems.azdhs.gov under Provider Applications: *CON Notification for Changes to*
Operations. *See* A.R.S. § 36-2232(C0(4) and A.A.C. R9-25-908(M).

13 The Applicant shall report all dispatch records and patient care reports including all
14 required data elements to Arizona's Prehospital EMS Information and Registry System
15 (AZ-PIERS) within forty-eight (48) hours or less of each call or request for service,
16 including all cancelled runs, on an ongoing basis. *See* A.A.C. R9-25-908(J).

17 The Applicant shall submit annual reporting including an Annual Revenue and Cost
Report, HB2609 Summary Report, Response Time Compliance Report, and Interfacility
Performance Report within 180 days after the end of its fiscal accounting year on an
ongoing basis. *See* A.R.S. § 36-2232, A.A.C. R9-25-908(G), R9-25-908(H), and R9-25-
909.

18 At least one (1) Applicant manager shall regularly attend and participate in the
19 appropriate Regional and State EMS Councils on an ongoing basis.

20 The Applicant shall submit to the Department a courtesy copy of any leasing, staffing,
21 dispatch, and/or backup agreement(s) ("Agreement(s)") between Applicant and any
surrounding CON holders within fifteen (15) days of execution on an ongoing basis.

22 If the Applicant does not comply with the terms of its C.O.N., the Department may
23 conduct an investigation into the operation of ambulances and ambulance services for
any instance of non-compliance with the requirements of a Certificate of Necessity
and/or the Director will order a hearing to determine if any grounds exist to consider
denial of a C.O.N. renewal application. *See* A.R.S. § 36-2235 and 36-2245.

IT IS FURTHER ORDERED THAT if no request for an appeal hearing is received, after a thirty (30) day period has concluded, the Department shall issue a C.O.N. to the Applicant, after the Applicant completes the following as required in A.A.C. R9-25-902(E):

1. The Applicant has submitted to the Department for each ground ambulance vehicle to be operated by the ground ambulance service:
 - a. An application for registration of the ground ambulance vehicle that includes all of the information required in A.A.C. R9-25-1001(B)(1). *See* A.R.S. 36-2212 and 36-2240.
 - b. A copy of a current and valid motor vehicle registration for the ground ambulance vehicle, issued according to A.R.S. Title 28, Chapter 7, Article 2, or similar statutes in another state; and
 - c. Fees for each ground ambulance vehicle to be registered, and
2. When the certificate of registration for the first ground ambulance vehicle to be operated by the ground ambulance service is issued.

PURSUANT TO A.R.S. §§ 36-2234(A) and 41-1092.03(B), the Applicant or any C.O.N. holder whose ambulance service area in whole or in part is within the affected service area of the Application for an amended C.O.N. has the right to request a hearing regarding this decision by filing a notice of appeal or request for a hearing with the Department at the following address:

**Arizona Department of Health Services
Bureau of EMS & Trauma System
150 N. 18th Ave., Ste. 300
Phoenix, AZ 85007**

PURSUANT TO A.R.S. § 36-2233(C) and (E), notification that the Application is substantively complete and a Director's decision is issued will be provided via regular and electronic mail to Interested Parties as defined in A.R.S. § 36-2233(D).

PURSUANT TO A.R.S. 36-2234(A), if this decision is appealed within thirty (30) days by the Applicant or any C.O.N. holder whose ambulance service area in whole or in part is within the affected service area of the Application for an amended C.O.N., then the Department shall request a public hearing on the matter, pursuant to Title 41, Chapter 6, Article 10.

YOU ARE ADVISED that this decision is final if it is not appealed within 30 days pursuant to A.R.S. § 36-2234(A). *See* A.R.S. §§ 36-2233(E), -2234(A), and A.R.S. Title 41, Chapter 6, Article 10.

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Dated this 30th day of December, 2025.

ARIZONA DEPARTMENT OF HEALTH SERVICES

N. W. W.

Nicole Witt
Director's Designee

Original filed this 30th day of December, 2025, with:

Clerk of the Department
Arizona Department of Health Services
150 N. 18th Ave., Room 540
Phoenix, AZ 85007

Copy of the foregoing sent by certified mail, return receipt requested this 30th day of December, 2025, to:

Benjamin Armstrong, EMS Director
Kurt Loveless, Chief Executive Officer
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Copies of the foregoing sent by interdepartmental mail, regular or electronic mail this 30th day of December, 2025, to:

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Dba Colorado City Fire Department
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Jeff Reed, Fire Chief
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Steven Kidman, Mayor
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Roland Maldonado, Chairman
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