

Decision No. 84183

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
FLORENCE A. JOHNSEN, dba
AL'S DELIVERY SERVICE, T-73, 766 (38)
for an Order from the Commission
exempting applicant by name, from
the provisions of Minimum Rate
Tariff Numbers 1-B, 2, 9-B and 19,
when engaging in the transportation
of medical laboratory specimens
and other medically related articles,
operating a motor vehicle having a
licensed weight of 4,000 pounds
or less.

Case No. 5432
Petition for Modification
No. 835
(Filed December 24, 1974)

Case No. 5439
Petition for Modification
No. 240
(Filed December 24, 1974)

Case No. 5441
Petition for Modification
No. 328
(Filed December 24, 1974)

O P I N I O N

Petitioner Florence A. Johnson, dba Al's Delivery Service, requests that she be exempted by name from the provisions of Minimum Rate Tariffs 1-B, 2, 9-B, and 19 for the transportation of medical specimens and other medically related articles.

Petitioner engages in a specialized delivery service, as a messenger, in the actual physical transfer of specimens and materials to and from medical laboratories, doctors' offices, and hospitals for diagnostic testing and research. The transportation is performed in motor vehicles having a licensed weight of 4,000 pounds or less. ✓

The items picked up and delivered include: human and animal specimens contained in glass or plastic vials, consisting of whole blood, blood serum, blood plasma, tissues, sputum, urine, stool, fingernails, hair, eyes, heart, brain, spinal fluid, exudates, transudates, and any other material of animal or human origin for pathological examination or research. Other materials may include x-ray films, medical films, medical documents, pathology and laboratory

reports, dental or orthodontic devices, and supplies furnished by medical laboratories to their accounts, including slides, slide containers, specimen envelopes, glass or plastic tubes, urine containers, stool containers, laboratory forms, etc. Individual specimens will weigh from less than an ounce to a maximum of three to four pounds, and are of no value or interest to anyone other than the laboratories and medical professionals involved.

Petitioner alleges that all of the specimens and materials require special handling and therefore cannot be subject to standardized packaging, as with a normal commercial delivery business. Special handling includes: protecting the specimens from light, maintaining the specimen at a constant normal or cool or freezing temperature, and protecting the specimens from contamination, or maintaining sterility. It would be impossible to weigh, measure, and have packaged these materials to explicit specifications.

All specimens and materials are delivered on the day of pickup. In emergency situations, they are delivered to the testing laboratory within minutes of the time they are obtained from the patient. Time is often of the essence in laboratory testing for a human's health or life may be at a critical point.

During August 1962 petitioner started the operations of this personalized service. Since then, specific routes and regular scheduled stops for pickups and deliveries have been established on a basis to be capable of responding to an emergency element or unusual situation. Frequently, a stop is required to be made at laboratories or doctors' offices at times when the laboratory or office is closed. Other times when open, there are varieties of locations where the pickups and deliveries must be made. There is usually an agreement between the laboratory and/or the doctor's office about where the specimens will be located, and they are identified and placed in this location. This location may be a refrigerator, counter, locked or unlocked box, or the corner drug store. There is often no contact between petitioner and the client.

Petitioner has maintained a monthly billing system for services on the first of each month following the month of service. Payment response has always been excellent. Some customers are on a flat monthly retainer, covering routine service, plus extra charge for special delivery. Other customers are billed each month based on each time service is rendered. Detailed records are maintained by petitioner.

Petitioner contends that compliance with the Commission's minimum rate for each separate specimen, report, or material handled and specific requirements for packaging, handling, and more frequent times of billing for services rendered, the end result would become too expensive for the customers with more overhead costs to petitioner. The volume of paper work and bookkeeping that would be required would make the service fee more than a realistic amount and therefore petitioner's services would be terminated.

The exemption requested herein is virtually identical to that granted by Decision No. 82140 dated November 20, 1973 in Case No. 5432, Petition for Modification No. 766 et al.

The petitions were noticed in the Commission's Daily Calendar of December 27, 1974. No objections to the granting of the petitions have been received.

Findings

1. Petitioner transports various medical and laboratory clinical materials and supplies, and medical or laboratory clinical reports.
2. Petitioner utilizes motor vehicles not exceeding a licensed weight of 4,000 pounds.
3. The minimum rate provisions in Minimum Rate Tariffs 1-B, 2, 9-B, and 19 from which petitioner seeks exemption are not appropriate minimum rates, rules, and regulations for the type of service petitioner provides.
4. A public hearing is not necessary.

The Commission concludes that Petitions for Modification Nos. 835, 240, and 328 in Cases Nos. 5432, 5439, and 5441 should be granted.

O R D E R

IT IS ORDERED that Florence A. Johnsen, dba Al's Delivery Service, is exempted from observance of the rates and rules in Minimum Rate Tariffs 1-B, 2, 9-B, and 19 in connection with the transportation of the following items, when transported in a vehicle not exceeding a licensed weight of 4,000 pounds: human and animal specimens contained in glass or plastic vials, consisting of whole blood, blood serum, blood plasma, tissues, sputum, urine, stool, fingernails, hair, eyes, heart, brain, spinal fluid, exudates, transudates, and any other material of animal or human origin for pathological examination or research. Other materials may include x-ray films, medical films, medical documents, pathology and laboratory reports, dental or orthodontic devices, and supplies furnished by medical laboratories to their accounts, including slides, slide containers, specimen envelopes, glass or plastic tubes, urine containers, stool containers, and laboratory forms.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 11th
day of 3 MARCH, 1975.

Vernon L. Sturgeon
President
William J. Lyons, Jr.
Leonard Ross
Commissioners