SENATE BILL No. 186

By Committee on Ways and Means

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AN ACT relating to reimbursement to eligible providers for medicaid ground emergency medical transportation services.

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Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) An eligible provider, as described in subsection (b), in addition to the rate of payment that the provider would otherwise receive for medicaid ground emergency medical transportation services, shall receive supplemental medicaid reimbursement to the extent provided by law.

- (b) A provider shall be eligible for supplemental reimbursement only if the provider meets the following conditions during the state fiscal year:
- (1) Provides ground emergency medical transportation services to medicaid beneficiaries;
 - (2) is a provider that is enrolled as a medicaid provider for the period being claimed; and
 - (3) is owned or operated by the state, a political subdivision or local government, that employs or contracts with persons who are licensed to provide emergency medical services in the state of Kansas, and includes private entities to the extent permissible under federal law.
 - (c) An eligible provider's supplemental reimbursement pursuant to this section shall be calculated and paid as follows:
 - (1) The supplemental reimbursement to an eligible provider, as described in subsection (b), shall be equal to the amount of federal financial participation received as a result of the claims submitted pursuant to subsection (f)(2):
 - (2) in no instance may the amount certified pursuant to subsection (e) (1), when combined with the amount received from all other sources of reimbursement from the medicaid program, exceed or be less than 100% of actual costs, as determined pursuant to the medicaid state plan, for ground emergency medical transportation services; and
 - (3) the supplemental medicaid reimbursement provided by this section must be distributed exclusively to eligible providers under a payment methodology based on ground emergency medical transportation services provided to medicaid beneficiaries by eligible providers on a pertransport basis or other federally permissible basis. The department of health and environment shall obtain approval from the federal centers for

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medicare and medicaid services for the payment methodology to be utilized, and shall not make any payment pursuant to this section prior to obtaining that approval.

- (d) (1) It is the legislature's intent in enacting this section to provide the supplemental reimbursement described in this section without any expenditure from the state general fund. An eligible provider, as a condition of receiving supplemental reimbursement pursuant to this section, shall enter into, and maintain, an agreement with the department for the purposes of implementing this section and reimbursing the department for the costs of administering this section.
- (2) The nonfederal share of the supplemental reimbursement submitted to the federal centers for medicare and medicaid services for purposes of claiming federal financial participation shall be paid only with funds from the governmental entities described in subsection (b)(3) and certified to the state as provided in subsection (e).
- (e) Participation in the program by an eligible provider described in this section is voluntary. If an applicable governmental entity elects to seek supplemental reimbursement pursuant to this section on behalf of an eligible provider, the governmental entity shall do the following:
- (1) Certify, in conformity with the requirements of 42 C.F.R. § 433.51, that the claimed expenditures for the ground emergency medical transportation services are eligible for federal financial participation;
- (2) provide evidence supporting the certification as specified by the department;
- (3) submit data as specified by the department to determine the appropriate amounts to claim as expenditures qualifying for federal financial participation; and
- (4) keep, maintain, and have readily retrievable any records specified by the department to fully disclose reimbursement amounts to which the eligible provider is entitled, and any other records required by the federal centers for medicare and medicaid services.
- (f) The department shall promptly seek any necessary federal approvals for the implementation of this section. The department may limit the program to those costs that are allowable expenditures under title XIX of the federal social security act, 42 U.S.C. § 1396 et seq. If federal approval is not obtained for implementation of this section, this section shall not be implemented.
- (1) The department shall submit claims for federal financial participation for the expenditures for the services described in subsection (e) that are allowable expenditures under federal law.
- (2) The department shall submit any necessary materials to the federal government to provide assurances that claims for federal financial participation will include only those expenditures that are allowable under

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federal law.

- Sec. 2. (a) The department of health and environment shall design and implement, in consultation and coordination with eligible providers as described in subsection (b), an intergovernmental transfer program relating to medicaid managed care, ground emergency medical transport services and those services provided by emergency medical services personnel at the emergency medical responder, emergency medical technician, advanced emergency medical technician and paramedic levels in the prestabilization and preparation for transport in order to increase capitation payments for the purpose of increasing reimbursement to eligible providers.
- (b) A provider shall be eligible for increased reimbursement pursuant to this section only if the provider meets both of the following conditions in an applicable state fiscal year:
- (1) Provides ground emergency medical transport services to medicaid managed care enrollees pursuant to a contract or other arrangement with a medicaid managed care plan; and
- (2) is owned or operated by the state, a political subdivision or local government that employs or contracts with persons who are licensed by the department to provide emergency medical services in the state of Kansas.
- (c) To the extent intergovernmental transfers are voluntarily made by, and accepted from, an eligible provider described in subsection (b), or a governmental entity affiliated with an eligible provider, the department shall make increased capitation payments to applicable medicaid managed care plans for covered ground emergency medical transportation services.
- (1) The increased capitation payments made pursuant to this section shall be in amounts at least actuarially equivalent to the supplemental feefor-service payments and up to equivalent of commercial reimbursement rates available for eligible providers to the extent permissible under federal law.
- (2) Except as provided in subsection (f), all funds associated with intergovernmental transfers made and accepted pursuant to this section shall be used to fund additional payments to eligible providers.
- (3) Medicaid managed care plans shall pay 100% of any amount of increased capitation payments made pursuant to this section to eligible providers for providing and making available ground emergency medical transportation and pre-stabilization services pursuant to a contract or other arrangement with a medicaid managed care plan.
- (d) The intergovernmental transfer program developed pursuant to this section shall be implemented on the date federal approval is obtained, and only to the extent intergovernmental transfers from the eligible provider, or the governmental entity with which it is affiliated, are

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provided for this purpose. The department shall implement the intergovernmental transfer program and increased capitation payments under this section on a retroactive basis as permitted by federal law.

- (e) Participation in the intergovernmental transfers under this section is voluntary on the part of the transferring entities for purposes of all applicable federal laws.
- (f) This section shall be implemented without any additional expenditure from the state general fund. As a condition of participation under this section, each eligible provider as described in subsection (b), or the governmental entity affiliated with an eligible provider, shall agree to reimburse the department for any costs associated with implementing this section. Intergovernmental transfers described in this section are subject to an administration fee of up to 20% of the non-federal share paid to the department and shall be allowed to count as a cost of providing the services not to exceed 120% of the total amount.
- (g) As a condition of participation under this section, medicaid managed care plans, eligible providers as described in subsection (b), and governmental entities affiliated with eligible providers shall agree to comply with any requests for information or similar data requirements imposed by the department for purposes of obtaining supporting documentation necessary to claim federal funds or to obtain federal approvals.
- (h) This section shall be implemented only if and to the extent federal financial participation is available and is not otherwise jeopardized and any necessary federal approvals have been obtained.
- (i) To the extent that the department determines that the payments made pursuant to this section do not comply with federal medicaid requirements, the department may return or not accept an intergovernmental transfer and may adjust payments pursuant to this section as necessary to comply with federal medicaid requirements.
- (j) The state of Kansas and the department of health and environment shall implement whatever program the center for medicare and medicaid services approves for use in Kansas under this act.
- Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.