

ONE HUNDRED FIFTH LEGISLATURE - FIRST SESSION - 2017
COMMITTEE STATEMENT
LB578

Hearing Date: Wednesday March 15, 2017
Committee On: Health and Human Services
Introducer: McDonnell
One Liner: Change medicaid reimbursement provisions relating to ground emergency medical transportation

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 6 Senators Crawford, Erdman, Howard, Kolterman, Linehan, Williams
Nay:
Absent:
Present Not Voting: 1 Senator Riepe

Verbal Testimony:

Proponents:

Senator Mike McDonnell
Michael Despain
William Bowes
Michael Dwyer
Rhonda Meyer

Andrew Snodgrass
Darren Garrean
Lynn Rex

Representing:

Introducer
Lincoln Fire & Rescue; City of Lincoln
Nebraska Municipal Fire Chiefs Association
Nebraska State Volunteer Firefighters Association
Nebraska State Volunteer Firefighters EMS Association;
Blair Volunteer Fire and Rescue
Nebraska City Fire & Rescue
Nebraska Professional Fire Fighters
League of Nebraska Municipalities

Opponents:

Representing:

Neutral:

Scott Clough

Representing:

Self

Summary of purpose and/or changes:

LB 578 mandates the Department of Health and Human Services to submit a state plan amendment to allow for increased supplemental reimbursement for ground emergency medical transports.

SECTION BY SECTION:

Section (1): Defines "Department" and "Division".

Section (2): An eligible provider shall receive regular reimbursement under Medicaid for Medicaid Ground Emergency Medical Transportation services and supplemental Medicaid reimbursement. To be eligible for supplemental reimbursement a provider must meet all criteria including: provide ground emergency medical transportation services to Medicaid beneficiaries; be enrolled as a Medicaid provider and is owned or operated by state, city or county, rural or suburban fire protection district, hospital district, federally recognized Indian tribe or other governmental unit.

The supplemental reimbursement shall be calculated and paid as follows: the supplemental payment shall equal the

amount received from the federal government for claims submitted. The amount received cannot be more than 100% of actual costs. Reimbursement of supplemental payment will be on a per transport basis. The Division must obtain Centers for Medicare and Medicaid Services approval before making a payment. Intent of Legislature to not allow supplemental reimbursement to come from General Funds. Eligible providers must enter into an agreement with the Division for reimbursement purposes. The government entities submit the nonfederal share of the supplemental reimbursement to CMS to obtain the matching federal amounts. Participation by eligible providers is voluntary for a supplemental reimbursement. The governmental entity will certify claimed expenditures, provide evidence of certification, submit data and keep records.

Division will seek prompt approval for implementation and limit costs to allowable expenditures. The Department shall submit claims to obtain federal financial participation and submit documentation to federal government annually the claims submitted are in compliance. If legal or administrative determination is made to provide supplemental reimbursement to a provider not previously described, the Director of Medicaid and Long-Term Care will execute a declaration stating supplemental reimbursement in inoperative.

Section (3): Mandates the Department, with consultation of eligible providers, design and implement an intergovernmental transfer program to increase capitation payments to increase reimbursement.

A provider is eligible for increased reimbursement if the following conditions are met: provides ground emergency medical transport services to Medicaid managed care enrollees, is owned or operated by the state, city, county rural or suburban fire protection district, hospital district, federally recognized Indian tribe or other unit of government.

If an intergovernmental transfer voluntarily occurs and is accepted by an eligible provider, the Department will pay an increased capitation amount to the Medicaid managed care plans for ground emergency medical transportation services. The increased capitation will be actuarially equivalent to the supplemental fee-for-service payment available.

All funds received from intergovernmental transfers will be used to fund additional payments to eligible providers.

Mandates Medicaid managed care plans pay 100% of any increased capitation payments to eligible providers for providing ground emergency medical transportation and paramedical services.

Mandates the intergovernmental transfer program be implemented on the date of federal approval. Allows for retroactive payments as permitted by federal law. Participation in intergovernmental transfers is voluntary.

Mandates the intergovernmental transfer program will be implemented without additional expenditures from General Funds. The eligible provider will agree to reimburse the Department for costs associated with implementing the program. Intergovernmental transfers are subject to a 20% administrative fee of the nonfederal share paid to the Department and allowed to count as costs of providing services.

Mandates the Medicaid managed care plans, eligible providers and governmental entities comply with all requests for information or similar data for the purpose of claiming federal funds or obtaining federal approval.

Program will not be implemented unless there is federal financial participation.

If the CEO of the Department determines the payments do not comply with federal Medicaid requirements, the CEO may return or not accept an intergovernmental transfer and may adjust payments as necessary.

If federal approval is obtained, the increase capitation may commence for dates of service on or after January 1, 2018.

Explanation of amendments:

The amendment strikes all original provisions and becomes the bill.

AMENDMENT:

Section (1): Adds additional sections to the Medical Assistance Act.

Section (2): Creates the Ground Emergency Medical Transportation Act.

Section (3): Defines "advanced life support", "basic life support", "dry run", "ground emergency medical transport", "ground emergency medical transport services", "limited advanced life support" and "medical transport".

Section (4): Intent of Legislature that no General Funds will be used to carry out the Act.

Section (5): Mandates eligible providers receive supplemental reimbursement for ground emergency medical transport services pursuant to the Act.

Section (6): Participation in supplemental reimbursement program is voluntary. Provides requirements for eligible provider.

Section (7): Provides requirements for how supplemental reimbursement shall be calculated and distributed.

Section (8): Mandates the Department design and implement an intergovernmental transfer program relating to Medicaid managed care to increase capitation payments to increase reimbursement to eligible providers. Mandates the Department make increased capitation payments to Medicaid managed care plans. Increased capitation payment must be actuarially determined. All funds associated with intergovernmental transfers shall be used to fund additional payments to Medicaid managed care plans. Mandates Medicaid managed care plans enter into contracts regarding disbursement of increase capitation payments. Allows the Department to implement the intergovernmental transfer programs and increase capitation payments retroactive to date the state plan amendment is submitted. Intergovernmental transfers are subject to 20% administration fee of nonfederal share paid to the Department and allowed to count as a cost of providing the services. Mandates compliance with data requirements imposed by the Department.

Section (9): Mandates eligible providers enter into an agreement with the Department to implement the Act and reimburse the Department costs of administering the Act. Funds provided by the eligible providers shall be paid from governmental entities and certified by the Department.

Section (10): Provides requirements for governmental entity seeking supplemental reimbursement on behalf of an eligible provider.

Section (11): Mandates the Department submit a state plan amendment on or before January 1, 2018, to provide for a supplemental reimbursement rate pursuant to the Act. Allows Department to limit program to the costs allowable. Stops the implementation of the program if federal financial participation is not available. If the Department's CEO determines payments do not comply with federal requirements the CEO may return or not accept intergovernmental transfers.

Section (12): Mandates the Department submit claims for federal financial participation. Mandates the Department submit necessary materials to the federal government annually to provide assurances of claims submissions. Mandates the Department CEO execute a declaration regarding a determination the supplemental reimbursements are inoperative on the date determined, if a final judicial determination or final administrative determination is made which will allow supplemental reimbursement to a provider not described in the section.

Section (13): If federal approval is obtained, the increase capitation may commence for dates of service on or after January 1, 2018.

Section (14): Repeals Section 68-901.

Merv Riepe, Chairperson