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Legislative Document

No. 1751

S.P. 696

In Senate, April 20, 2023

An Act to Maximize Federal Funding in Support of Emergency Medical Services

Reference to the Committee on Health and Human Services suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator CURRY of Waldo.
Cosponsored by Representative CYRWAY of Albion and
Senators: FARRIN of Somerset, President JACKSON of Aroostook, LaFOUNTAIN of
Kennebec, MOORE of Washington, NANGLE of Cumberland, Representatives:
FAULKINGHAM of Winter Harbor, SALISBURY of Westbrook, Speaker TALBOT ROSS of
Portland.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 22 MRSA c. 425** is enacted to read:

3 **CHAPTER 425**

4 **AMBULANCE ASSESSMENT**

5 **§2150-M. Definitions**

6 As used in this chapter, unless the context otherwise indicates, the following terms
7 have the following meanings.

8 **1. Ambulance service provider.** "Ambulance service provider" means a person that
9 holds itself out to be a provider of transportation of ill or injured persons or that routinely
10 provides transportation for ill or injured persons and is licensed under Title 32, chapter 2-B.
11 "Ambulance service provider" does not include:

12 A. The Maine Army National Guard, the Maine Air National Guard or the United
13 States Armed Forces;

14 B. A municipal fire or police department or any other governmental entity that provides
15 emergency ambulance services;

16 C. An entity that exclusively provides air ambulance services; or

17 D. An organization that is required to pay any tax under Title 36, Part 4.

18 **2. Fee.** "Fee" means the ambulance service assessment fee authorized by this chapter.

19 **3. Fund.** "Fund" means the ambulance fee fund established in section 2150-O.

20 **4. Emergency ambulance services.** "Emergency ambulance services" means any
21 services delivered by an ambulance service provider.

22 **5. Net operating revenue.** "Net operating revenue" means gross revenue collected by
23 an ambulance service provider for the delivery of emergency ambulance services less any
24 deducted amounts for bad debts, charity care or payer discounts.

25 **§2150-N. Ambulance service assessment fee**

26 **1. Fee established.** The department shall charge every ambulance service provider a
27 uniform ambulance service assessment fee. The fee must be assessed on each ambulance
28 service provider's net operating revenue at a rate determined annually by the department.
29 The rate must be calculated in a manner in which the assessment generates the state share
30 necessary to fund the payments described in section 2150-O as long as the fee does not
31 exceed the maximum limit allowable under 42 Code of Federal Regulations, Section
32 433.68(f). The department shall establish each ambulance service provider's fee using the
33 most recent data available as determined by the department in consultation with a statewide
34 organization representing ambulance service providers and shall update each ambulance
35 service provider's fee amount on a periodic basis, but at least annually. All emergency
36 ambulance services, regardless of payer, are subject to the fee, including, but not limited
37 to, emergency ambulance services provided by ambulance service providers under fee-for-
38 service and managed care arrangements. An ambulance service provider's liability for the

1 fee must, in the case of a transfer of ownership, be assumed by the successor in interest to
2 the ambulance service provider.

3 **2. Federal approval required.** The department may charge the fee only if the
4 department has received approval from the federal Department of Health and Human
5 Services, Centers for Medicare and Medicaid Services necessary to authorize the Medicaid
6 payments to ambulance service providers in accordance with section 2150-O.

7 **3. Deposit of fees.** The funds generated from the fee must be deposited into the fund
8 and may be used only in accordance with that section. Funds generated from the fee do not
9 revert to the General Fund and must be available for expenditure in subsequent fiscal years.

10 **§2150-O. Ambulance fee fund**

11 **1. Fund created.** The ambulance fee fund is established as a separate nonlapsing fund
12 within the department.

13 **2. Source of funds.** Amounts credited to the fund must be expended for payments to
14 ambulance service providers under the MaineCare program. The following sources of
15 income must be credited to the fund:

16 A. All revenues generated from the fee;

17 B. An amount equal to any federal financial participation revenues claimed and
18 received by the State for eligible expenditures made from the fund;

19 C. Any revenue from appropriations or allocated by the Legislature and specifically
20 designated to be credited to the fund; and

21 D. Interest earned on any money in the fund.

22 **3. Federal funds.** The department shall seek federal funds to achieve the maximum
23 amount of federal funding in a manner in which the assessment amount equals the state
24 share under section 2150-N, subsection 1. The expenditures from the fund must be made
25 by the department in a manner consistent with the requirements and conditions of 42 United
26 States Code, Section 1396b(w) and 42 Code of Federal Regulations, Section 433.68 and
27 may be made only under federally approved payment methods, consistent with federal
28 funding requirements and consistent with all federal payment limits.

29 **4. Use of funds.** Amounts in the fund must be expended exclusively for reimbursing
30 ambulance service providers under the MaineCare program and must be used to
31 supplement, not supplant, General Fund appropriations to support emergency ambulance
32 service reimbursements as of October 1, 2023. Amounts in the fund may not be used to
33 replace payment commitments between the ambulance service providers and the State. The
34 reimbursement amounts established and distributed under the MaineCare program under
35 this section must increase the total reimbursement amount for emergency ambulance
36 services up to the average commercial rate to the extent permitted by the amount of funds
37 generated from the fee. Reimbursement payments must be made to ambulance service
38 providers at least on a quarterly basis.

39 **5. Federal approval.** If the federal Department of Health and Human Services,
40 Centers for Medicare and Medicaid Services does not authorize or withdraws approval of
41 the Medicaid payments made to ambulance service providers in accordance with this
42 section, all money in the fund must be returned to ambulance service providers. If the

1 department no longer collects the fee, all money in the fund must be returned to ambulance
2 service providers.

3 **§2150-P. Rules**

4 The department shall adopt rules to implement this chapter. In adopting rules under
5 this section, the department shall consult with relevant stakeholders, including a statewide
6 organization representing ambulance service providers.

7 **§2150-Q. Additional funding mechanisms**

8 The department shall implement voluntary programs to increase funding to
9 governmental ambulance service providers, including, but not limited to,
10 intragovernmental transfer or certified public expenditure programs, to the extent allowed
11 under Section 1903(w)(6) of the United States Social Security Act.

12 **Sec. 2. 22 MRSA §3174-JJ**, as amended by PL 2019, c. 530, Pt. B, §1, is further
13 amended to read:

14 **§3174-JJ. MaineCare reimbursement for ambulance services**

15 The department shall reimburse for ambulance services under MaineCare at a level that
16 is not less than the average allowable reimbursement rate under Medicare for such services
17 or at the highest percent of that level that is possible within resources appropriated for those
18 purposes. Beginning March 1, 2015, the department shall reimburse for ambulance
19 services under MaineCare at a level that is not less than 65% of the average allowable
20 reimbursement rate under Medicare for such services. Beginning January 1, 2020, the
21 department shall reimburse for ambulance services under MaineCare at a level that is not
22 less than the average allowable reimbursement rate under Medicare for such services and
23 shall reimburse for neonatal transport services under MaineCare at the average rate for
24 critical care transport services under Medicare. Beginning January 1, 2024, the department
25 shall reimburse for:

26 **1. Ambulance services.** Ambulance services under MaineCare at a level that is not
27 less than 200% of the allowable reimbursement rate under Medicare for such services;

28 **2. Neonatal transport.** Neonatal transport services under MaineCare at the average
29 rate for critical care transport services under Medicare, including any adjustments allowed
30 by Medicare for ambulance services;

31 **3. No-transport calls.** Ambulance service no-transport calls when patient contact was
32 initiated and assessment or treatment was performed at either the basic life support
33 emergency Medicare base rate or advanced life support emergency Medicare base rate, as
34 appropriate; and

35 **4. Community paramedicine.** Community paramedicine visits conducted by
36 licensed providers at a rate that is not less than 100% of the average allowable basic life
37 support nonemergency Medicare base rate. As used in this subsection, "community
38 paramedicine" has the same meaning as in Title 32, section 84, subsection 4.

39 **Sec. 3. Federal Medicaid waivers or state plan amendments.** No later than 6
40 months after the effective date of this Act, the Department of Health and Human Services
41 shall submit to the United States Department of Health and Human Services, Centers for
42 Medicare and Medicaid Services any waivers or state plan amendments determined
43 necessary in order to accomplish the purposes of this Act.

SUMMARY

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This bill establishes an ambulance service assessment fee on ambulance service providers in order to maximize federal funding for reimbursement to ambulance service providers under the MaineCare program. It also increases the reimbursement rates under the MaineCare program for ambulance services, neonatal transport, no-transport calls and community paramedicine.