



State of Wisconsin
2021 - 2022 LEGISLATURE

LRBs0408/1
TJD:all

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 874**

February 21, 2022 - Offered by Representative LOUDENBECK.

1 **AN ACT** *to create* 25.17 (1) (aj), 25.776, 49.45 (3) (em), 49.45 (15r) and 256.23 of
2 the statutes; **relating to:** emergency medical transportation services under
3 Medical Assistance program.

Analysis by the Legislative Reference Bureau

This bill implements an ambulance service provider assessment on private ambulance service providers for supplemental reimbursements under the Medical Assistance program and a supplemental reimbursement under the Medical Assistance program to public ambulance service providers through certified public expenditures. Currently, the Department of Health Services administers the Medical Assistance program, which is a joint federal and state program that provides health services to individuals who have limited financial resources. Generally, under the Medical Assistance program, the state provides its share of the funding for benefits and the federal government then contributes its designated share of funding, also known as federal financial participation.

The bill imposes on each private ambulance service provider a fee for the privilege of doing business in Wisconsin. The fee, as established by DHS is a percentage of the ambulance service provider's net patient revenues from ground emergency ambulance transports such that the total fee for a fiscal year is no less than one quarter of 1 percent lower than the maximum limit for a provider fee under federal regulation. The bill prohibits those ambulance service providers from

increasing rates they charge for their services because of the imposition of the fee. DHS must obtain approval from the federal government, if necessary, to obtain matching funds, and if federal approval is required, is prohibited from collecting the fee until DHS receives that approval. The bill requires DHS to expend the moneys collected from the fee assessment to supplement reimbursements to ambulance service providers for services provided on a fee-for-service basis and through managed care to Medical Assistance program recipients.

The bill also requires DHS to submit a state plan amendment to the federal government to allow supplemental reimbursements under the Medical Assistance program to public ambulance service providers for ground emergency medical transportation through certified public expenditures. In certain circumstances under the certified public expenditure process under current federal law, a public provider may certify its costs for providing services to Medical Assistance recipients that are in excess of the usual Medical Assistance reimbursement for those services and then receive a supplement to cover otherwise unreimbursed costs.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 25.17 (1) (aj) of the statutes is created to read:

2 25.17 (1) (aj) Ambulance service provider trust fund (s. 25.776);

3 **SECTION 2.** 25.776 of the statutes is created to read:

4 **25.776 Ambulance service provider trust fund.** There is created a
5 separate nonlapsible trust fund designated as the ambulance service provider trust
6 fund, consisting of all moneys received from fees from ambulance service providers
7 under s. 256.23 (2).

8 **SECTION 3.** 49.45 (3) (em) of the statutes is created to read:

9 49.45 (3) (em) The department shall expend moneys collected under s. 256.23
10 (2) to supplement reimbursement for eligible ambulance service providers, as
11 defined in s. 256.23 (1) (a), for services provided under the Medical Assistance
12 program under this subchapter, including services reimbursed on a fee-for-service
13 basis and provided under managed care, by eligible ambulance service providers.
14 Health plans shall be indemnified and held harmless for any errors made by the

1 department or its agents in calculation of any supplemental reimbursement made
2 under this paragraph.

3 **SECTION 4.** 49.45 (15r) of the statutes is created to read:

4 49.45 (15r) EMERGENCY MEDICAL TRANSPORTATION REIMBURSEMENT. The
5 department shall submit a state plan amendment to the federal department of
6 health and human services to allow payment of supplemental reimbursements
7 under the Medical Assistance program under this subchapter to public ambulance
8 service providers, as defined in s. 256.01 (3), for ground emergency medical
9 transportation through certified public expenditures. For purposes of this
10 subsection, any ambulance service provider that is owned by any municipality or
11 group of municipalities, regardless of whether or not the ambulance service provider
12 is organized as a nonprofit corporation, is considered a public ambulance service
13 provider. If the state plan amendment under this subsection is approved, the
14 department shall pay to an ambulance service provider that complies with a certified
15 public expenditure arrangement, as established by the department, a supplemental
16 reimbursement equal to the amount of federal financial participation for ground
17 emergency medical transportation services in accordance with state and federal law
18 and regulations, except that the total reimbursement under the Medical Assistance
19 program for the transportation may not exceed the actual cost to the ambulance
20 service provider of providing the transportation. If the federal department of health
21 and human services disapproves the state plan amendment, the department may not
22 pay the supplement under this subsection.

23 **SECTION 5.** 256.23 of the statutes is created to read:

24 **256.23 Ambulance service provider fee. (1)** In this section:

1 (a) “Eligible ambulance service provider” means any privately owned
2 ambulance service provider. “Eligible ambulance service provider” does not include
3 any ambulance service provider that is owned by any municipality or group of
4 municipalities regardless of whether or not the ambulance service provider is
5 organized as a nonprofit corporation.

6 (b) “Emergency ambulance transport” means all of the following:

7 1. Each ground emergency ambulance transport that requires the delivery of
8 life support services, including basic life support or advanced life support, by an
9 emergency medical responder or emergency medical services practitioner at any
10 practice level.

11 2. Any other ambulance transport that is designated by the department to be
12 subject to the fee under sub. (2).

13 **(2)** For the privilege of doing business in this state, there is imposed on each
14 eligible ambulance service provider a fee that is equal to a uniform percentage, as
15 determined under sub. (3), of the eligible ambulance service provider’s net patient
16 revenues from emergency ambulance transports. Except as provided in sub. (4), each
17 eligible ambulance service provider shall pay the fee under this subsection in a
18 manner determined by the department acting in collaboration with the Professional
19 Ambulance Association of Wisconsin, or its successor organization, no more
20 frequently than quarterly. An eligible ambulance service provider cannot increase
21 rates it charges for its services because of the imposition of the fee under this
22 subsection.

23 **(3)** The department shall establish the uniform percentage of the eligible
24 ambulance service provider’s net patient revenues so that the total amount of fees
25 collected from an eligible ambulance service provider under sub. (2) in a state fiscal

1 year is an amount not less than one quarter of 1 percent lower than the maximum
2 limit for a provider fee under 42 CFR 433.68 (f) but does not exceed the maximum
3 limit.

4 (4) The department may allow an eligible ambulance service provider that is
5 unable to make a payment of the fee by the date specified under sub. (2) to make a
6 delayed payment.

7 (5) In accordance with s. 20.940, the department shall submit to the federal
8 department of health and human services a request for any state plan amendment,
9 waiver or other approval that is required to implement this section and s. 49.45 (3)
10 (em). If federal approval is required, the department may not implement the
11 collection of the fee under sub. (2) until it receives approval from the federal
12 government to obtain federal matching funds.

13 **SECTION 6. Nonstatutory provisions.**

14 (1) BUDGET REQUEST; ADMINISTRATIVE COSTS. The department of health services
15 shall include in its 2023-25 biennial budget request an appropriation to expend the
16 moneys in the ambulance service provider trust fund for the purposes under s. 49.45
17 (3) (em), including any request to expend the ambulance service provider trust fund
18 moneys for the department's costs in administering s. 256.23. Before the passage of
19 the 2023-25 biennial budget act, the department of health services may submit to
20 the joint committee on finance a request to supplement one of the department's
21 appropriation for the purposes of paying administrative costs of s. 256.23.

22 (END)