

STATE REPRESENTATIVE • 50th Assembly District

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Testimony before the Senate Committee on Health Senate Bill 157

Good morning, Madam Chair and committee members. Thank you for holding this hearing today on Senate Bill 157.

Emergency Medical Services (EMS) providers across Wisconsin are facing significant issues with funding and staffing, which is leading to problems with access or lack of coverage for many communities. These challenges are negatively impacting EMS providers in urban and rural areas alike. There isn't a one size fits all solution to address all of these issues, instead a multifaceted approach that helps communities of all sizes is going to be key in making sure the EMS system as a whole is viable and successful for years to come.

At the end of last session, we passed 2021 Wisconsin Act 228 which requires DHS to submit a state plan amendment to allow for Wisconsin EMS providers to take part in supplemental payment opportunities for public and private EMS providers. If approved by CMS, these supplemental payments could help to alleviate some of the funding pressure on EMS service providers. Other states have been using CMS approved supplemental payment programs for both private and public EMS services to pay effectively higher rates, without using additional state GPR funding. Prior to Act 228, there were no comparable financing mechanisms for EMS providers in Wisconsin.

In order to fully implement and allow DHS to run the ambulance assessment program for private EMS providers, we need this bill. This bill provides the necessary permissions for DHS to distribute the additional federal matching dollars to the private EMS providers. It also allows DHS to use a small portion of the funds to administer the program.

It's important to note this bill is necessary to implement the path for additional payments for private EMS providers. The public EMS providers use a separate path to receive additional funds, and that program is in the process of being implemented by DHS, with the hope of being operational by the end of this fiscal year. Act 228 included paths for both public and private EMS providers with these enhanced payment options because of the different service structures across Wisconsin. For example, some communities have their own EMS and ambulance services, some communities have contracts with a private service, and some communities use a combination of both.



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-TONY KURTZ-STATE REPRESENTATIVE • 50th ASSEMBLY DISTRICT

Allowing Wisconsin's EMS providers to take part in these programs will be beneficial to the patients they're serving, as better funding can increase access and quality outcomes, ensuring proper care in the right place, at the right time, with the right solutions. This will also be beneficial to taxpayers, as many communities are facing increased costs related to providing critical EMS services. Unfortunately, due to these cost increases, there are some communities where an ambulance may not come if you call 911, and we need to continue to take action to ensure that doesn't happen.

Thank you for your consideration of Senate Bill 157. I'm happy to answer any questions at this time.

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<u>Testimony on Senate Bill 157</u> Senator Mary Felzkowski Committee on Health May 3, 2023

Chairman Cabral-Guevara and Committee Members,

Thank you for taking the time to hear testimony on Senate Bill 157. This simple bill is clean-up language we need to pass in order to finish creating the Ambulance Assessment Program that was started with the passage of 2021 Act 228 – which passed the Senate last session unanimously.

To refresh everyone's memory, 2021 Act 228 created two programs at DHS to be used as tools in our united effort to stabilize the fragile EMS system in Wisconsin. One of those tools was the Certified Public Expenditure program, which gives public EMS providers the option to certify uncompensated costs, helping the state draw down federal matching funds associated with unmet costs. This process is used in 48 states, as well as other Wisconsin programs since 2004. DHS is in the process of implementing this portion of Act 228, so we're not here today to discuss that.

We're here for the other aspect of Act 228, which requires private EMS providers to take part in an ambulance service provider assessment program; this action will help the state draw down \$1.50 for every \$1 collected in federal matching funds. This money will then be distributed back to the private EMS service providers through the Medicaid program. Wisconsin currently uses this assessment model for hospitals and nursing homes.

SB 157 creates the necessary Chapter 20 appropriation so DHS can disperse payments under the program to private, non-municipal, ambulance providers.

Upon passage of this bill, DHS will move forward with the required State Plan Amendment to obtain approval from the federal government.

Thank you again for the opportunity to testify on Senate Bill 157.



State of Wisconsin Department of Health Services

Tony Evers, Governor Kirsten L. Johnson, Secretary

- **TO:** Members of the Senate Committee on Health
- FROM: HJ Waukau, Legislative Director
- **DATE:** May 3, 2023
- **RE:** SB 157 relating to: ambulance assessment program supplemental reimbursements, payment of administrative costs, and making an appropriation.

The Department of Health Services (DHS) would like to submit written testimony for information only on Senate Bill 157 (SB 157), regarding the creation of an ambulance service provider trust fund as specified under 2021 Act 228. Act 228 implements an ambulance service provider assessment on private ambulance service providers for supplemental reimbursements under the Medicaid program; and creates a trust fund from which the reimbursements will be distributed by imposing a fee on all private ambulance service providers for the privilege of doing business in Wisconsin.

The Emergency Medical Services (EMS) industry is currently facing numerous challenges from staffing to financial sustainability, and Governor Evers' 2023-25 biennial budget makes significant investments in EMS to address and remedy these issues. Included in the Governor's budget are \$150 million GPR to continue the Emergency Medical Services Flex Grants in fiscal year 2023-24, and a \$250 million appropriation that can be used to support local public safety services, including EMS. In addition to these cornerstone investments in EMS, the Governor's budget also recommends:

- Reforming how emergency medical responders are certified,
- Establishing statutory language that removes the barriers first responders with post-traumatic stress disorder face when seeking worker's compensation,
- Providing 1.0 FTE to staff an ambulance inspection program,
- Providing 1.0 FTE to expand the Office of Preparedness and Emergency Health Care, and,
- Providing the statutory authority and funding necessary to implement 2021 Act 228.

The language in SB 157 closely resembles the language in Governor Evers' 2023-25 biennial budget (AB 43/SB 70), with the exception of the inclusion of a provision requiring DHS to make all payments to eligible ambulance service providers within 60 days. DHS recommends that this provision be removed from SB 157 and the Governor's budget language be adopted. DHS is actively working with both ambulance service providers and the Centers for Medicare & Medicaid Services (CMS) to implement the provisions of Act 228 in a timely and expeditious manner. The primary concern with the 60-day reimbursement requirement is that until a State Plan Amendment (SPA) is approved, DHS will not know what requirements CMS will impose as a condition of a SPA approval. Knowledge of the conditions of the SPA

1 West Wilson Street • Post Office Box 7850 • Madison, WI 53707-7850 • Telephone 608-266-9622 • www.dhs.wisconsin.gov Protecting and promoting the health and safety of the people of Wisconsin approval are necessary for DHS to be able to finalize system requirements, thus making the 60day requirement problematic as it may be infeasible to implement all federal requirements in the specified timeframe.

In the interim, DHS is working to do everything it can to finalize systems requirements, while having conversations with CMS around the approval of the SPA. DHS appreciates the collaborative partnership and conversations it is having with ambulance service providers and stakeholders to work towards implementing the provisions of Act 228. However, until DHS receives the finalized methodology and parameters from CMS, DHS will be limited in how much it can implement prior to approval.

DHS would like to thank the Committee for the opportunity to submit written testimony for information only and offers itself as a resource for the Committee.