



Washington State GEMT Summary

Washington State's EMS delivery system is recognized as among the finest in the world. The statewide system provides outstanding service to all of the State's population regardless of a patient's ability to pay. The emergency transportation system is a vital component and considered an integral part of the State's safety net of healthcare services. Washington is an active participant within the Federal Medicaid system and provides those services through the statewide "Apple Health" program. The reimbursement rate for emergency care and transport of Apple Health beneficiaries is far below the actual cost of providing those services. The base reimbursement rate provided for Apple Health transports is \$115.00 for BLS and \$168.00 ALS transport. These rates are far below the actual cost of providing the transport for both public and private providers. In 2007 the Federal GAO estimated the nationwide cost fell between the average of \$415 and \$1215 per transport. With the increase in supplies, benefits, fuel and operations these costs are much higher today.

As an active participant in the Federal Medicaid program, Washington enjoys the benefits of that relationship and the additional cost sharing that goes along with it. Within the current State Plan, Washington's public hospitals participate in a Certified Public Expenditure program "WAC 182-550-4650" that has been in effect since 1996. This program allows public hospitals and programs to seek additional Federal Medicaid dollars to offset the cost of providing services that are not fully covered under the current Apple Health rate schedule. Although this program will not cover the entire cost of providing ambulance services, it will reimburse up to 50% of the uncompensated cost.

This Bill will provide the enabling legislation needed to create a State Plan Amendment "SPA" which will allow Washington's public ambulance providers to;

- Participate in the authorized CPE program that is currently providing assistance for Washington's public hospitals.
- Create an ambulance provider cost report for approval by CMS for determining the reimbursement rate.
- Include a provision for development of an Intergovernmental Transfer program or IGT that will allow further reimbursement of Apple Health Managed Care/HMO providers.
- **Stipulate that all the associated costs with this program will be done with no impact to the State General Fund, the State or the Apple Health program.**
- Include a mechanism in the IGT portion of the bill that will create with the approval of CMS a State Administration Fee that will not exceed 20% of the amount submitted for the transfer of funds.
- Insure no additional cost to local government.
- Include the federally recognized 638 Indian tribes.

Your support will provide;

- **Over \$100 million dollars in new money to public safety!**
- **More than \$20 million in new revenue to the Washington General fund!**
- **At no cost to the state or taxpayer!**



GEMT Medicaid Calculations

The following calculations demonstrate the financial impact on several counties in the State of Washington from the GEMT legislation. The calculations do not include private ambulance in these counties. By using the population in these three counties we extrapolated the potential financial impact on the State. The three counties of Pierce, Skagit and Whatcom are typical of counties throughout the State.

These calculations utilized information from fire departments and public EMS agencies. Using the Kaiser Family Foundation and Washington State Medicaid websites we were able to gain the information necessary to establish the averages used to develop the GEMT financial impacts. The Kaiser Family Foundation website states 20% of patients in Washington State are Medicaid Patients. The Washington State Medicaid website states of those, 20% are fee for service and 80% are managed care. The calculations below include the Certified Public Expenditure (CPE), the Inter-Governmental Transfer (IGT) and the Pre Hospital Stabilization (PHS).

To Calculate the CPE for the counties we determine:

- The percentage of Fee For Service (FFS) patients
- The cost of the transport
- The number of transports
- The reimbursed monies from Medicaid
- The State percentage reimbursable

Next we:

- We multiply the number of CPE qualified transports by the cost of the transports
- Subtract the money paid from Medicaid
- Multiply this uncompensated portion by 50% allowable to determine the CPE supplemental amount

To Calculate IGT for the counties we determine:

- The number of Managed Care Patients (MCP)
- The agency charge for transports

Next we:

- Multiply the calculated charge per transport by the number of MCP transports

To Calculate the PHS for the counties we determine:

- The number of calls the engine responds with EMT's and Paramedics with and without an ambulance crew.
- Cost of response
- Calculate the CPE same as above
- Calculate the IGT same as above

In order to estimate the potential financial impact on the entire state we used the **2013** population figures. Using these figures we established the potential financial impact for the counties and estimated the financial impact for all state EMS agencies. These counties make up nearly 17% of the population of Washington State.

Population Washington State	7,000,000
Population of Pierce County	819,743
Population of Whatcom County	206,353
Population of Skagit County	118,837

Revenue for CPE, IGT and PHS

Pierce County

Transports 2014	37,560
CPE Pierce County Portion	\$313,127.00
IGT Pierce County Portion	\$8,726,000.00
PHS Pierce County Portion	<u>\$5,209,538.00</u>
Total CPE, IGT and PHS Pierce County	\$14,248,665.00

Whatcom County

Transports	11,257
CPE Whatcom County Portion	\$93,847.00
IGT Whatcom County Portion	\$2,248,157.00
PHS Whatcom County Portion	<u>\$1,561,405.00</u>
Total CPE, IGT and PHS Whatcom County	\$3,803,409.00

Skagit County	
Transports 2012	7481
CPE Skagit County Portion	\$62,367.00
IGT Skagit County Portion	\$1,494,000.00
PHS Skagit County Portion	<u>\$1,561,405.00</u>
Total CPE, IGT and PHS Skagit County	\$3,117,772.00

Potential new revenue for the three counties
\$21,269,846.00

Extrapolated potential revenue utilizing population figures

Washington State EMS Agencies
\$130,983,920.00

Revenue to State **\$24,420,484.00**

Pierce County estimate - Conservative

EXAMPLE:	CPE portion (fee for svc)
37,560	Total Transports
22%	Percentage of total transports that are Medicaid
8,263	20% Medicaid demographic

IGT:	88%	% of Medicaid are managed care (IGT)
7,272	# managed care (IGT)	

CPE	12%	% of fee for svc (CPE)
992	# of fee for svc (CPE)	
168.43	Current Rate - Medicaid 168.43 / transport	
\$ 167,012	Total Rev Collected for fee for svc Medicaid Transports	

Gross Reimbursement Eligible TOTAL:

992	# of fee for svc (CPE)
800	CPE reimbursable rate - applies to fee for svc transports, use \$1200 (the actual rate will be determined at the state level as a range, will include indirect costs)
793,267	CPE Gross amount eligible for reimbursement

Uncompensated Portion Eligible for Reimbursement:

(167,012)	Less compensation already received
626,255	Uncompensated portion

Reimbursement:

50%	% Reimbursable in WA/OR (of uncompensated)
313,127.35	ADDITIONAL REVENUE DUE TO CPE - Uncompensated costs of fee for svc is refundable (in Wash)

EXAMPLE: IGT (managed care portion)

37,560	Total Transports
22%	Percentage of total transports that are Medicaid
8,263	20% Medicaid demographic

IGT: 88% % of Medicaid are managed care (IGT)

7,272 # managed care (IGT)

Gross Reimbursement Eligible TOTAL:

7,272	80% of Medicaid are managed care
1,200	IGT Reimbursement rate (also a state range of rates) of cost, this rate includes indirect costs as well

8,725,939 IGT Gross amount eligible for Reimbursement

SENATE BILL 5840

State of Washington **64th Legislature** **2015 Regular Session**

By Senators Dammeier, Rolfes, Braun, and Keiser

Read first time 02/05/15. Referred to Committee on Ways & Means.

1 AN ACT Relating to reimbursement to eligible providers for
2 medicaid ground emergency medical transportation services; and adding
3 new sections to chapter 41.05 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 41.05
6 RCW to read as follows:

7 (1) An eligible provider, as described in subsection (2) of this
8 section, must, in addition to the rate of payment that the provider
9 would otherwise receive for medicaid ground emergency medical
10 transportation services, receive supplemental medicaid reimbursement
11 to the extent provided by law.

12 (2) A provider is eligible for supplemental reimbursement only if
13 the provider has all of the following characteristics continuously
14 during a state fiscal year:

15 (a) Provides ground emergency medical transportation services to
16 medicaid beneficiaries:

17 (b) Is a provider that is enrolled as a medicaid provider for the
18 period being claimed;

19 (c) Is owned or operated by the state, a city, county, fire
20 protection district, community services district, health care

1 district, federally recognized Indian tribe or any unit of government
2 as defined in 42 C.F.R. Sec. 433.50;

3 (3) An eligible provider's supplemental reimbursement pursuant to
4 this section must be calculated and paid as follows:

5 (a) The supplemental reimbursement to an eligible provider, as
6 described in subsection (2) of this section, must be equal to the
7 amount of federal financial participation received as a result of the
8 claims submitted pursuant to subsection (6)(b) of this section;

9 (b) In no instance may the amount certified pursuant to
10 subsection (5)(a) of this section, when combined with the amount
11 received from all other sources of reimbursement from the medicaid
12 program, exceed one hundred percent of actual costs, as determined
13 pursuant to the medicaid state plan, for ground emergency medical
14 transportation services;

15 (c) The supplemental medicaid reimbursement provided by this
16 section must be distributed exclusively to eligible providers under a
17 payment methodology based on ground emergency medical transportation
18 services provided to medicaid beneficiaries by eligible providers on
19 a per-transport basis or other federally permissible basis. The
20 authority shall obtain approval from the federal centers for medicare
21 and medicaid services for the payment methodology to be utilized, and
22 may not make any payment pursuant to this section prior to obtaining
23 that approval.

24 (4)(a) It is the legislature's intent in enacting this section to
25 provide the supplemental reimbursement described in this section
26 without any expenditure from the general fund. An eligible provider,
27 as a condition of receiving supplemental reimbursement pursuant to
28 this section, shall enter into, and maintain, an agreement with the
29 authority for the purposes of implementing this section and
30 reimbursing the department for the costs of administering this
31 section.

32 (b) The nonfederal share of the supplemental reimbursement
33 submitted to the federal centers for medicare and medicaid services
34 for purposes of claiming federal financial participation shall be
35 paid only with funds from the governmental entities described in
36 subsection (2)(c) of this section and certified to the state as
37 provided in subsection (5) of this section.

38 (5) Participation in the program by an eligible provider
39 described in this section is voluntary. If an applicable governmental
40 entity elects to seek supplemental reimbursement pursuant to this

1 section on behalf of an eligible provider owned or operated by the
2 entity, as described in subsection (2)(c) of this section, the
3 governmental entity shall do all of the following:

4 (a) Certify, in conformity with the requirements of 42 C.F.R.
5 Sec. 433.51, that the claimed expenditures for the ground emergency
6 medical transportation services are eligible for federal financial
7 participation;

8 (b) Provide evidence supporting the certification as specified by
9 the department;

10 (c) Submit data as specified by the department to determine the
11 appropriate amounts to claim as expenditures qualifying for federal
12 financial participation;

13 (d) Keep, maintain, and have readily retrievable, any records
14 specified by the department to fully disclose reimbursement amounts
15 to which the eligible provider is entitled, and any other records
16 required by the federal centers for medicare and medicaid services.

17 (6) The department shall promptly seek any necessary federal
18 approvals for the implementation of this section. The department may
19 limit the program to those costs that are allowable expenditures
20 under Title XIX of the federal social security act (42 U.S.C. Sec.
21 1396 et seq.). If federal approval is not obtained for implementation
22 of this section, this section may not be implemented.

23 (a) The department shall submit claims for federal financial
24 participation for the expenditures for the services described in
25 subsection (5) of this section that are allowable expenditures under
26 federal law.

27 (b) The department shall, on an annual basis, submit any
28 necessary materials to the federal government to provide assurances
29 that claims for federal financial participation will include only
30 those expenditures that are allowable under federal law.

31 (7) If either a final judicial determination is made by any court
32 of appellate jurisdiction or a final determination is made by the
33 administrator of the federal centers for medicare and medicaid
34 services that the supplemental reimbursement provided for in this
35 section must be made to any provider not described in this section,
36 the director shall execute a declaration stating that the
37 determination has been made and on that date this section becomes
38 inoperative.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.05

2 RCW to read as follows:

3 (1) The authority shall design and implement, in consultation
4 with eligible providers as described in subsection (2) of this
5 section, an intergovernmental transfer program relating to medicaid
6 managed care, ground emergency medical transport services including
7 those services provided by emergency medical technicians at the
8 basic, advanced, and paramedic levels in the prestabilization and
9 preparation for transport in order to increase capitation payments
10 for the purpose of increasing reimbursement to eligible providers.

11 (2) A provider is eligible for increased reimbursement pursuant
12 to this section only if the provider meets both of the following
13 conditions in an applicable state fiscal year:

14 (a) Provides ground emergency medical transport services to
15 medicaid managed care enrollees pursuant to a contract or other
16 arrangement with a medicaid managed care plan.

17 (b) Is owned or operated by the state, a city, county, fire
18 protection district, special district, community services district,
19 health care district, federally recognized Indian tribe or unit of
20 government as defined in 42 C.F.R. Sec. 433.50.

21 (3) To the extent intergovernmental transfers are voluntarily
22 made by, and accepted from, an eligible provider described in
23 subsection (2) of this section, or a governmental entity affiliated
24 with an eligible provider, the department shall make increased
25 capitation payments to applicable medicaid managed care plans for
26 covered ground emergency medical transportation services.

27 (a) The increased capitation payments made pursuant to this
28 section must be in amounts at least actuarially equivalent to the
29 supplemental fee-for-service payments available for eligible
30 providers to the extent permissible under federal law.

31 (b) Except as provided in subsection (6) of this section, all
32 funds associated with intergovernmental transfers made and accepted
33 pursuant to this section must be used to fund additional payments to
34 eligible providers.

35 (c) Medicaid managed care plans shall pay one hundred percent of
36 any amount of increased capitation payments made pursuant to this
37 section to eligible providers for providing and making available
38 ground emergency medical transportation and paramedical services
39 pursuant to a contract or other arrangement with a medicaid managed
40 care plan.

1 (4) The intergovernmental transfer program developed pursuant to
2 this section must be implemented on the date federal approval was
3 obtained, and only to the extent intergovernmental transfers from the
4 eligible provider, or the governmental entity with which it is
5 affiliated, are provided for this purpose. To the extent permitted by
6 federal law, the department may implement the intergovernmental
7 transfer program and increased capitation payments pursuant to this
8 section on a retroactive basis as needed.

9 (5) Participation in the intergovernmental transfers under this
10 section is voluntary on the part of the transferring entities for
11 purposes of all applicable federal laws.

12 (6) This section must be implemented without any additional
13 expenditure from the state general fund. As a condition of
14 participation under this section, each eligible provider as described
15 in subsection (2) of this section, or the governmental entity
16 affiliated with an eligible provider, shall agree to reimburse the
17 department for any costs associated with implementing this section.
18 Intergovernmental transfers described in this section are subject to
19 a twenty percent administration fee of the nonfederal share paid to
20 the department and is allowed to count as a cost of providing the
21 services.

22 (7) As a condition of participation under this section, medicaid
23 managed care plans, eligible providers as described in subsection (2)
24 of this section, and governmental entities affiliated with eligible
25 providers shall agree to comply with any requests for information or
26 similar data requirements imposed by the department for purposes of
27 obtaining supporting documentation necessary to claim federal funds
28 or to obtain federal approvals.

29 (8) This section must be implemented only if and to the extent
30 federal financial participation is available and is not otherwise
31 jeopardized, and any necessary federal approvals have been obtained.

32 (9) To the extent that the director determines that the payments
33 made pursuant to this section do not comply with federal medicaid
34 requirements, the director retains the discretion to return or not
35 accept an intergovernmental transfer, and may adjust payments
36 pursuant to this section as necessary to comply with federal medicaid
37 requirements.

1 (10) To the extent federal approval is obtained, the
increased
2 capitation payments under this section may commence for
 dates of
3 service on or after January 1, 2015.

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