

ALASKA STATE LEGISLATURE

Session

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REPRESENTATIVE ZACH FANSLER DISTRICT 38

Sponsor Statement

House Bill 176 Emergency Medical Transportation Services

“An Act relating to medical assistance reimbursement for emergency medical transportation services; and providing for an effective date.”

Emergency Medical Transportation Services (EMTS) relates to the emergency transportation of patients. For what is traditionally considered an ambulance ride, EMTS reflects Alaska’s unique geographical challenges to include air, water, and other approved medical transport services. As it currently stands, Alaska’s emergency medical service providers incur additional uncompensated costs when providing services to Medicaid beneficiaries, by as much as sixty percent.

Reimbursement for ground emergency medical transportation services occurs when the providers submit a billing to the department (specifically to the Medicaid fiscal agent Conduent) for eligible services provided; the department reimburses the provider using the established Medicaid methodology and rate; the department submits documentation supporting the payment of the federal financial participation (FFP) to Centers for Medicare and Medicaid Services (CMS); and once it is approved, the department receives reimbursement for the FFP from CMS that amounts to the appropriate federal assistance percentage (FMAP).

By enacting this legislation along with an amendment to the state Medicaid plan, public EMS providers are eligible to access *enhanced* federal funding for emergency medical transportation of Medicaid patients. The use of transfers is clearly authorized in federal statute and is both legal and useful. Further, CMS provides reimbursement for the administrative costs associated with administrating EMTS by as much as twenty percent.

Anchorage, Juneau, Kenai, and Ketchikan, combined serve approximately forty-eight percent of the state’s population. In 2015 (for Kenai) and 2016 for the others, these departments provided 7,035 transports to Medicaid patients, without EMTS, the departments received just \$2.1 million in reimbursements; a total collective under-compensation of roughly \$3.9 million. Were they EMTS eligible, they could have collected a total of \$6 million.

HB 176 would allow EMS providers around the state to collect underfunded costs from the effective date, providing a financial boon to those organizations and communities. Even smaller communities such as Bethel can see over a quarter of a million dollars in EMTS reimbursements per year.

As you can see from the attached bill packet, there is widespread support for HB 176 throughout the state to help our local communities receive payments to actively cover the services they provide.