

**HB**

**176**

<TARGET><BILL>HB 176</BILL><SUBJECT>HB  
176</SUBJECT><COMM>SHSS30</COMM></TARGET>

# Representative Adam Wool

Alaska State Legislature • District 5 Fairbanks



Chena Ridge • College • University West • Geist • UAF Campus • South Van Horn • Cripple Creek  
Richardson • Parks Highway • Airport • Dale • Lakeview

## Sponsor Statement

### House Bill 176 Emergency Medical Transport

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

Emergency Medical Transport refers to the emergency transportation of patients by ground, water, or air. As it currently stands, Alaska’s emergency medical service (EMS) providers incur considerable additional uncompensated costs when providing services to Medicaid beneficiaries.

Reimbursement for emergency medical transportation services occurs when the providers submit a billing to the state Department of Health and Social Services (DHSS) for eligible services provided. The department then reimburses the provider using the established Medicaid methodology and rate and submits documentation supporting the payment of the federal financial participation (FFP) to Centers for Medicare and Medicaid Services (CMS). 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 transportation of Medicaid patients. The use of transfers is clearly authorized in federal statute and is both legal and useful. CMS also provides reimbursement for the administrative costs of this program by up to twenty percent of the cost of transport.

HB 176 would allow EMS providers around the state to collect underfunded costs, which provides a financial boon to those organizations and communities. HB 176 has widespread support throughout the state. This bill helps our local communities receive payments to more effectively cover the cost of the services they provide.

# Representative Adam Wool

Alaska State Legislature • District 5 Fairbanks



Chena Ridge • College • University West • Geist • UAF Campus • South Van Horn • Cripple Creek  
Richardson • Parks Highway • Airport • Dale • Lakeview

## CSHB 176 (FIN) Explanations of Changes

### Changes from HB 176 Version A to CSHB 176 (HSS) (Version O)

#### **Page 1, lines 1 and 7: Deleted “ground”**

Version O includes not just ground, but ground, water and air transport

#### **Page 1, line 9-12: Reworded:**

Version A:

“The amount of the supplemental reimbursement must be equal to the amount of federal financial participation that the department receives as reimbursement for the provider’s cost for the ground emergency medical transportation services, less any administrative expenses.”

Changed to Version O (CSHB 176 (HSS):

“Except as provided in (b) of this section, the amount of the supplemental reimbursement paid to a provider must be equal to the amount of federal financial participation that the department receives for the nonfederal matching funds paid by the provider through intergovernmental transfers or certified public expenditures, less any administrative expenses.”

This change in Version O clarifies that the federal participation in the supplemental reimbursement does not include the federal participation in the original non-supplemental reimbursement received by the provider.

#### **Page 2, lines 2, 8, 10, 17, 19 and 24: Deleted “ground”**

**Page 2, line 30: Inserted:** “(1) “emergency medical transportation services” includes ground, water, or air transportation services provided to a medical assistance recipient during a medical emergency;”

**Changes from CSHB 176 (HSS) to CSHB 176 (FIN)**

**P. 1, line 13**

**Delete "expenses"**

**Insert "fee described in (d) or (e) of this section"**

**P. 2, lines 19-22**

**Delete all material and insert:**

"(d) If the department authorizes the use of intergovernmental transfers under the program, the department shall charge an administrative fee to a provider to cover the department's costs of administering the program. The administrative fee may not exceed 20 percent of the non federal share the provider pays to the department. A provider may include the administrative fee in the provider's cost for providing an emergency medical transportation service to a medical assistance recipient.

(e) If the department authorizes the use of certified public expenditures under the program, the department may establish an administrative fee for a provider. If the department establishes an administrative fee under this subsection, the department may allow a provider to include the administrative fee in the provider's cost for providing an emergency medical transportation service to a medical assistance recipient."

**Page 2, line 22**

**Insert a new subsection to read:**

"(e) This section authorizes the department to provide supplemental reimbursements to a ground, water, or air emergency medical transportation service provider only if the United States Department of Health and Human Services approves payments to that type of emergency medical transportation service provider."

**Page 2, line 30, through page 3, line 1:**

**Delete:** "emergency medical transportation services" includes ground, water, or air transportation services provided to a medical assistance recipient during a medical emergency;

**Page 3, lines 8 - 25:**

**Delete** Sec. 2-4 which contained conditional effective date language and

**Insert:**

"\* Sec. 2. This Act takes effect immediately under AS O 1.10.070( c ). "

# SENATE COMMITTEE REPORT

DATE: 3/12/18

FURTHER: Finance

DATE TURNED  
IN TO OFFICE: 3/28/18

**Health and Social Services Committee** considered CS FOR HOUSE BILL NO. 176(FIN)

## HB 176-GROUND EMER. MEDICAL TRANSPORT PAYMENTS

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

and recommends:


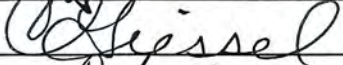

- be replaced with SCS \_\_\_\_\_ (\_\_\_\_\_)  Same Title  Technical Title Change  
 New Title/SCR No. \_\_\_\_\_
- adopt previous SCS \_\_\_\_\_ (\_\_\_\_\_)  Same Title  Technical Title Change  
 New Title/SCR No. \_\_\_\_\_
- attached amendment(s)
- adopt \_\_\_\_\_ Letter of Intent
- further referral to \_\_\_\_\_ Committee

Dept Abbr.	
ADM	LWF
CED	LAW
COR	LEG
EED	MVA
DEC	DNR
DFG	DPS
GOV	REV
DHS	DOT
AJS	UA

NEW FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #

PREVIOUS FISCAL NOTE(S)				
Dept.	Fiscal	Indet.	Zero	FN #
DHS			✓	
DHS	✓			4
	/			

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	Begich	✓			
	Giessel			✓	
CHAIR: 	Wilson	✓			

# Fiscal Note

State of Alaska  
2018 Legislative Session

Bill Version: HB 176  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB176CS(HSS)-DHSS-HCMS-2-23-18  
Title: GROUND EMER. MEDICAL TRANSPORT  
PAYMENTS  
Sponsor: WOOL  
Requester: House FIN

Department: Department of Health and Social Services  
Appropriation: Medicaid Services  
Allocation: Health Care Medicaid Services  
OMB Component Number: 2077

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2019	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2019 Request	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>OPERATING EXPENDITURES</b>	<b>FY 2019</b>	<b>FY 2019</b>						
Personal Services								
Travel								
Services				116.6	109.0	109.0	109.0	109.0
Commodities								
Capital Outlay								
Grants & Benefits				21,782.2	21,782.2	21,782.2	21,782.2	21,782.2
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>21,898.8</b>	<b>21,891.2</b>	<b>21,891.2</b>	<b>21,891.2</b>	<b>21,891.2</b>	<b>21,891.2</b>

**Fund Source (Operating Only)**

1002 Fed Rcpts (Fed)			11,167.2	11,163.4	11,163.4	11,163.4	11,163.4
1108 Stat Desig (Other)			10,731.6	10,727.8	10,727.8	10,727.8	10,727.8
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>21,898.8</b>	<b>21,891.2</b>	<b>21,891.2</b>	<b>21,891.2</b>	<b>21,891.2</b>

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

1251 Non-UGF (Other)			21,898.8	21,891.2	21,891.2	21,891.2	21,891.2
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>21,898.8</b>	<b>21,891.2</b>	<b>21,891.2</b>	<b>21,891.2</b>	<b>21,891.2</b>

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 0.0 (separate capital appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/19

**Why this fiscal note differs from previous version/comments:**

Completed Changes in Revenue section and added explanation of the bill as "budget neutral," on consultation with Legislative Finance. Added an example to illustrate the cash flow within a sample provision of service.

Prepared By: Margaret Brodie, Director  
Division: Health Care Services  
Approved By: Shawnda O'Brien, Assistant Commissioner  
Agency: Health and Social Services

Phone: (907)334-2520  
Date: 02/23/2018 08:15 PM  
Date: 02/23/18

**REPORTED OUT OF  
HFC 03/01/2018**  
Control Code: TxCvF

**FISCAL NOTE ANALYSIS**

**STATE OF ALASKA  
2018 LEGISLATIVE SESSION**

**BILL NO. CSHB176(HSS)**

**Analysis**

HB176 directs the department to develop a program to provide supplemental reimbursement to eligible ground/air/water emergency medical transportation service providers for the cost of providing services to medical assistance recipients. The amount of the supplemental reimbursement must be equal to the amount of the federal financial participation that the department receives as reimbursement for the provider's cost for the emergency medical transportation services, less any administrative expenses. The bill stipulates that the amount a provider receives in supplemental reimbursements under the program, when combined with the amount the provider receives from all other sources, including medical assistance reimbursement under the state plan, may not exceed the provider's actual cost for providing emergency medical transportation services to medical assistance recipients.

HB176 allows the department to charge an administrative fee to a provider who participates in the program to cover the department's costs for administering the program. This fee is capped at 20 percent of a provider's costs for providing emergency medical transportation services. The department will charge an administrative fee to pay for one full-time Medical Assistance Administrator II position. Fees to support this program will be collected in the Health Care Medicaid Services component, and funds to support this position will be transferred from the Health Care Medicaid Services component to the Medical Assistance Administration component via a reimbursable services agreement. Fees to support this supplemental payment program will be collected from service providers under statutory designated program receipt authority, since those collections may be used for the single purpose of this supplemental payment program for eligible emergency medical ground transportation claims.

For the purposes of providing the most accurate impact assessment, the division selected for review those emergency transportation providers with the potential to qualify for supplemental reimbursement payments. Additionally, calculations utilize an adjusted formula to estimate the increase in federal matching funds for those providers likely to fall under the CMS 100% tribal reimbursement guidance.

In FY2017, based on claim submission data to date, the department reimbursed 21,215 episodes/units of ground emergency medical transportation. The average claim submitted for reimbursement was \$1,108.60, with an average reimbursement per unit to the provider of \$312.24, leaving an unreimbursed amount of \$796.36.

	21,215	# FY2017 claims for ground transport
	\$ 796.36	average amount per transport unreimbursed through Medicaid
<b>A</b>	\$ 16,894,777.40	Total estimated unreimbursed FY2017 costs for ground transport
<b>B</b>	\$ 337,895.55	estimated 2% of (A) = attributable to Tribal transports (@ 100% FMAP)
<b>C</b>	\$ 16,556,881.85	(A) - (B) = attributable to non-Tribal transports
<b>D</b>	\$ 8,278,440.93	50% of (C) non-Tribal claims = SDPR portion of claims
<b>E</b>	\$ 8,616,336.47	(A) - (D) = Total unreimbursed claims less SDPR portion = federal portion

In FY2017, the department reimbursed 281 episodes/units of air emergency medical transportation. The average claim submitted for reimbursement was \$24,004.30, with an average reimbursement per unit to the provider of about \$6.611.37, leaving an average unreimbursed amount of \$17,392.93.

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2018 LEGISLATIVE SESSION

BILL NO. CSHB176(HSS)

Analysis

	281	# FY2017 claims for air transport
	\$ 17,392.93	average amount per transport unreimbursed through Medicaid
A	\$ 4,887,413.33	Total estimated unreimbursed FY2017 costs for air transport
B	\$ 97,748.27	estimated 2% of (A) = attributable to Tribal transports (@ 100% FMAP)
C	\$ 4,789,665.06	(A) - (B) = attributable to non-Tribal transports
D	\$ 2,394,832.53	50% of (C) non-Tribal claims = SDPR portion of claims
E	\$ 2,492,580.80	(A) - (D) = Total unreimbursed claims less SDPR portion = federal portion

No claims for water emergency medical transportation were received in FY2017; no charges are projected.

Position costs are to be split equally between fund sources.

YEAR 1 total costs					
	<i>position costs split 50/50</i>	<i>one-time startup costs</i>	<i>supplemental payment costs, ground</i>	<i>supplemental payment costs, air</i>	<i>totals by fund source</i>
<i>federal</i>	\$ 54.5	\$ 3.8	\$ 8,616.3	\$ 2,492.6	\$ 11,167.2
<i>SDPR</i>	\$ 54.5	\$ 3.8	\$ 8,278.5	\$ 2,394.8	\$ 10,731.6
	\$ 109.0	\$ 7.6	\$ 16,894.8	\$ 4,887.4	\$ 21,898.8
YEAR 2 and beyond total costs					
	<i>position costs split 50/50</i>		<i>supplemental payment costs</i>	<i>supplemental payment costs</i>	<i>totals by fund source</i>
<i>federal</i>	\$ 54.5		\$ 8,616.3	\$ 2,492.6	\$ 11,163.4
<i>SDPR</i>	\$ 54.5		\$ 8,278.5	\$ 2,394.8	\$ 10,727.8
	\$ 109.0	\$ -	\$ 16,894.8	\$ 4,887.4	\$ 21,891.2

Since the supplemental reimbursement program is based not on the charges for a submitted claim, but on actual costs as determined by a federally approved cost accounting method, the actual amount of unreimbursed costs may vary from our estimate.

Development and approval of a Medicaid State Plan amendment and subsequent regulations development is anticipated to be lengthy. Thus, implementation and associated costs are not anticipated until FY2020.

This fiscal note is budget neutral; no State general funds will be used in provision of the emergency medical transport supplemental payment program to eligible service providers. Supplemental payments to providers will be comprised of new federal revenues and non-federal matching revenues.

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2018 LEGISLATIVE SESSION

BILL NO. CSHB176(HSS)

### Analysis

Simple example (not actual costs or rates):

Fire Department ambulance transports Medicaid recipient. Cost = \$1,000

Fire Department bills Alaska Medicaid (DHSS). Charge = \$1,000

DHSS pays Fire Department. Standard rate = \$400

DHSS notices Fire Department of available supplemental payment and non-federal share. Supplemental payment = \$600, non-federal share = \$300

Fire Department pays DHSS non-federal share. Non-federal share = \$300

DHSS pays Fire Department supplemental payment using non-federal and federal funds. Payment = \$600.

No general funds are used to make supplemental payment. Fire Department receives \$400 + \$600, pays \$300, and nets \$700 instead of just receiving the \$400 standard rate.

(Administrative fee not shown. Provider pays DHSS fee along with the non-federal share of the supplemental payment.)

# Fiscal Note

State of Alaska  
2018 Legislative Session

Bill Version: HB 176  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB176CS(HSS)-DHSS-MAA-2-15-18  
Title: GROUND EMER. MEDICAL TRANSPORT  
PAYMENTS  
Sponsor: WOOL  
Requester: House FIN

Department: Department of Health and Social Services  
Appropriation: Health Care Services  
Allocation: Medical Assistance Administration  
OMB Component Number: 242

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2019	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2019 Request	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>OPERATING EXPENDITURES</b>	<b>FY 2019</b>	<b>FY 2019</b>						
Personal Services				97.6	97.6	97.6	97.6	97.6
Travel								
Services				9.4	9.4	9.4	9.4	9.4
Commodities				9.6	2.0	2.0	2.0	2.0
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>		<b>116.6</b>	<b>109.0</b>	<b>109.0</b>	<b>109.0</b>	<b>109.0</b>

**Fund Source (Operating Only)**

1007 I/A Rcpts (Other)			116.6	109.0	109.0	109.0	109.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>116.6</b>	<b>109.0</b>	<b>109.0</b>	<b>109.0</b>	<b>109.0</b>

**Positions**

Full-time			1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

**Change in Revenues**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

Estimated CAPITAL (FY2019) cost: 0.0 *(separate capital appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/19

**Why this fiscal note differs from previous version/comments:**

Refreshed to SLA2018 form; added reference to air transportation per committee substitute.

Prepared By: Margaret Brodie, Director  
Division: Health Care Services  
Approved By: Shawnda O'Brien, Assistant Commissioner  
Agency: Health and Social Services

Phone: (907)334-2520  
Date: 02/15/2018 01:30 PM  
Date: 02/15/18

**REPORTED OUT OF  
HFC 03/01/2018**

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2018 LEGISLATIVE SESSION

BILL NO. CSHB176(HSS)

Analysis

HB176 directs the department to develop a program to provide supplemental reimbursement to eligible ground, air and water emergency medical transportation service providers for the cost of providing services to medical assistance recipients. The amount of the supplemental reimbursement must be equal to the amount of the federal financial participation that the department receives as reimbursement for the provider's cost for the emergency medical transportation services, less any administrative expenses.

HB176 allows the department to charge an administrative fee to a provider who participates in the program to cover the department's costs for administering the program. This fee is capped at 20 percent of a provider's costs for providing emergency medical transportation services.

Development and approval of a Medicaid State Plan amendment and subsequent regulations development is anticipated to be lengthy. Thus, implementation and associated costs are not anticipated until FY2020. Starting in FY2020, to administer the supplemental reimbursement program for emergency medical transportation, the Division of Health Care Services has determined that it needs one full-time Medical Assistance Administrator II. This position will be funded from fees collected from providers who participate in the program. The cost of the position is shown below:

One full-time Medical Assistance Administrator II (including benefits): Range 18, Anchorage: \$97.6 annually

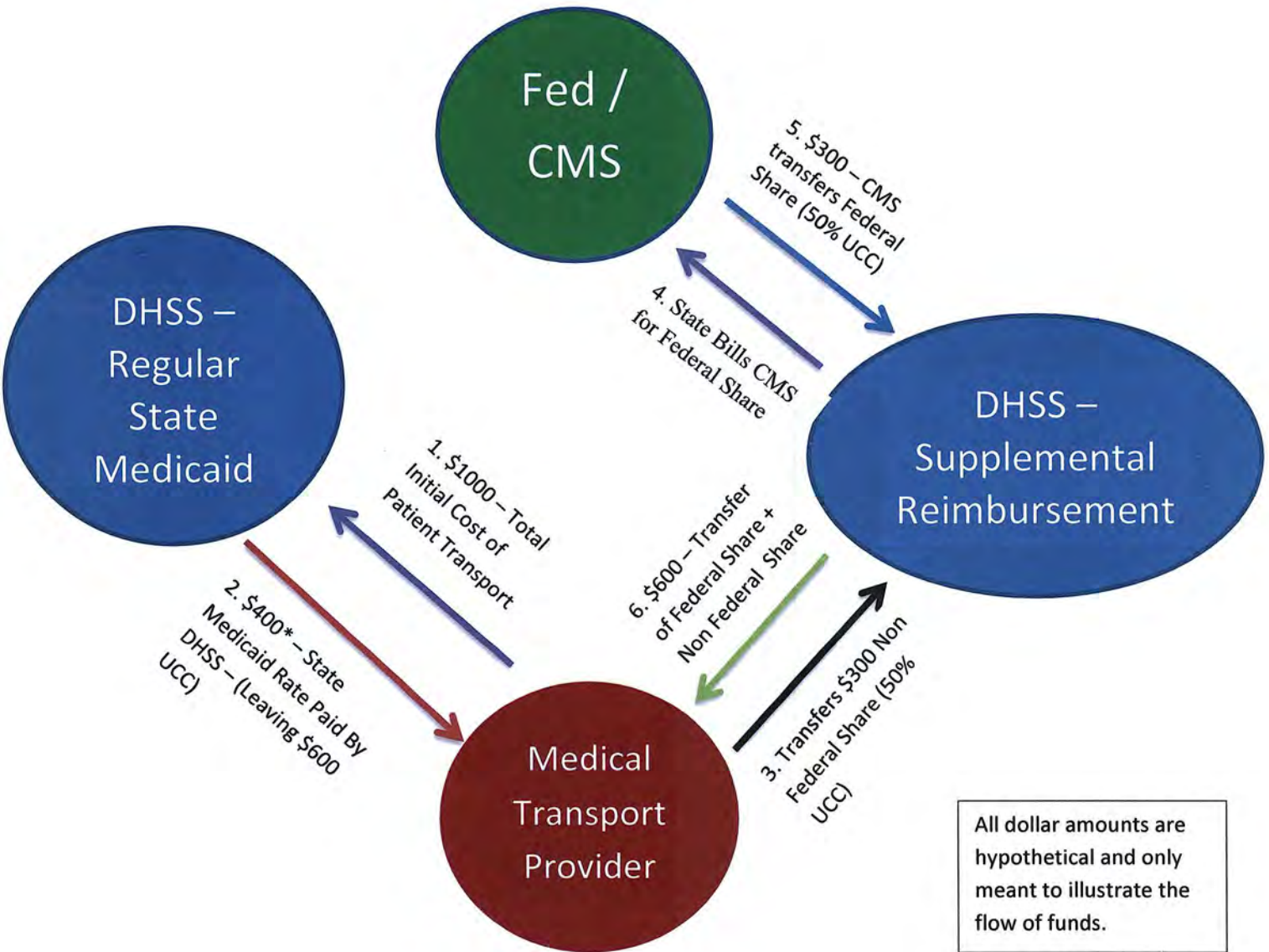
Services: Office space, phone, reimbursable service agreements for position support costs: \$9.4 annually

Commodities: Office supplies: \$2.0 annually

One-Time Commodities Cost: Computer, software, and office equipment: \$7.6

All of the fees to support this program will be collected in the Health Care Medicaid Services component. The funds to support this position will be transferred from the Health Care Medicaid Services component to the Medical Assistance Administration component via a reimbursable services agreement.

# HB 176 Flow Chart



DHSS = Alaska Dept of Health & Social Services  
 UCC = Uncompensated Cost  
 CMS = Centers for Medicare & Medicaid Services

\* \$400 Medicaid is paid 50% by CMS

Approved by the Office of Rep. Adam Wool

### Explanation - Based on Hypothetical \$1000 Transport Cost

The Provider is reimbursed \$400 under regular state Medicaid for a \$1000 transport. This leaves a \$600 UCC. Under HB 176, the Provider then sends \$300 to DHSS (Supplemental) and CMS matches with the \$300 federal share. DHSS then sends \$600 back to the Provider. The Provider recoups \$700 of the \$1000 Transport Cost (\$400 Regular State Medicaid + \$300 Federal Share). Administrative fees (expected to be nominal) will be deducted from the reimbursement to the Provider.



## **ALASKA FIRE CHIEF'S ASSOCIATION**

**One Sealaska Plaza, Suite 200 Juneau, Alaska 99801**

**(907) 586-1325 Fax (907) 463-5480**

[www.alaskafirechiefs.org](http://www.alaskafirechiefs.org)

---

February 13, 2018

Representative Adam Wool  
State Capitol Room 412  
Juneau, Alaska 99801

Rep. Wool,

I am writing on behalf of the Alaska Fire Chiefs Association in support of House Bill 176, an Act relating to medical assistance reimbursement for emergency medical transportation.

HB 176 will allow fire departments across Alaska recover some of the otherwise unrecoverable expenses related to providing emergency medical care to patients covered under the Medicaid system. Currently these additional expenses are absorbed by either the local government or the agency providing the medical care.

This program will not incur any costs to the State of Alaska; as administrative costs can be billed back into this federal program. This program is not part of the Medicaid expansion and is not dependent on the Affordable Care Act. This is part of an entitlement program that has been around for many years. Three states have completed legislation and several more are in the process of adopting legislation.

This program, if approved by the Alaska Legislature, allows EMS providers to bill the federal system annually for the approved costs. This will put real dollars back into our communities and allow departments the opportunity to survive during these fiscally uncertain times. These dollars could mean additional staffing, medical equipment, training, or as simple as heat and electricity in buildings. Your large municipalities could see large dollar amounts annually coming back to them. However the real difference will be the small communities that struggle just to pay for fuel in their ambulance. This program would make the difference between an EMS program barely surviving out of the generosity of volunteers to creating a legitimate program that can provide training to its members and purchase equipment that is not worn out as part of a surplus program.

The Alaska emergency services are seeing direct impacts of the low oil prices. Fire departments have greatly reduced participation in state wide programs. The fire Marshal's Office has closed offices and drastically cut the number of life safety inspections they do. Some of our communities cannot even pay to heat some of the community buildings any longer.

**From the perspective of the Alaska Fire Chiefs, this program is a win, win for all of Alaska. This relieves some of the financial burden on the local community, it provides real dollars into a struggling EMS system, and it improves the medical care patients receive in the prehospital setting; all without costing Alaska any additional dollars.**

**We strongly support HB 176. This could be one of the most important pieces of legislation in decades to improve emergency services across the entire state. We would encourage you to support HB 176 as well.**

**Respectfully,**

A handwritten signature in black ink, appearing to read 'Jeff Tucker', with a large, sweeping flourish at the end.

**Jeff Tucker, President  
Alaska Fire Chiefs Association**



## ALASKA PROFESSIONAL FIRE FIGHTERS ASSOCIATION

PO Box 111222 ANCHORAGE, AK 99511

North Pole – Fairbanks – Shemya – Anchorage – Juneau – Ketchikan

[www.alaskapffa.org](http://www.alaskapffa.org)



February 13, 2018,

Representative Adam Wool

State Capital Room 412

Juneau, Alaska 99801

Representative Wool:

I am writing today in support of HB 176 the Ground Emergency Medical Transport bill. HB 176 would allow fire departments and EMS providers to receive a higher rate of reimbursement for transporting patients covered by Medicaid. Currently fire departments and EMS providers are often reimbursed at a fraction of the actual cost for medical transports. HB 176 allows agencies in the state to begin to rectify this problem. At a time when cities across Alaska struggle to provide basic services, HB 176 will provide a level of financial relief by helping agencies receive reimbursement that is closer to actual cost.

Fire departments and EMS providers determine the cost of a medical transport and then bill accordingly. When a department transports a Medicaid patient they may only be reimbursed at a fraction of the actual cost. The difference between the cost of a transport and the amount reimbursed forces local taxpayers to make up the shortfall. HB 176 will allow providers of EMS to recoup expenses that are closer to the actual cost of the transport after departments demonstrate the accurate cost. This additional revenue can be used to bolster public safety in communities that receive it.

Many states have passed bills similar to HB 176 and are seeing an increase in revenue for transports related to Medicaid patients. At a time when our economy is struggling, we should look for ways to continue to fund vital services. HB 176 will help all communities across Alaska providing EMS.

In closing I would like to encourage the Legislature to pass HB 176. EMS is a vital service relied upon by the citizens of Alaska. The importance of this bill is magnified by the current economic situation in our state. HB 176 will help providers of emergency medical transport weather this economic storm and continue to serve the citizens of Alaska.

  
Thomas A Wescott

President Alaska Professional Fire Fighters

**RESOLUTION NO. 4825**

**A RESOLUTION IN SUPPORT OF HOUSE BILL 176, AN ACT  
RELATING TO MEDICAL ASSISTANCE REIMBURSEMENT FOR  
GROUND EMERGENCY MEDICAL TRANSPORTATION SERVICES**

**WHEREAS**, the City of Fairbanks provides emergency medical services to citizens and visitors in Interior Alaska; and

**WHEREAS**, the City of Fairbanks receives partial reimbursement for the cost of providing emergency medical services to Medicaid beneficiaries; and

**WHEREAS**, the city of Fairbanks emergency medical service providers incur additional uncompensated costs when providing services to Medicaid beneficiaries; and

**WHEREAS**, Federal Centers for Medicare and Medicaid Services provide supplementary reimbursement of uncompensated costs incurred by emergency medical service providers in the treatment and transportation of Medicaid beneficiaries in states participating in the Ground Emergency Medical Transportation program; and

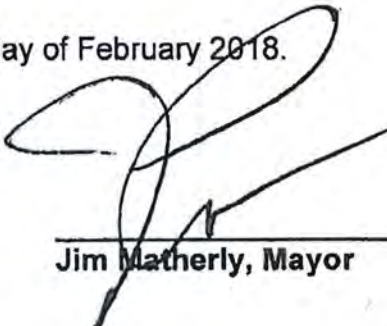
**WHEREAS**, the Centers also provide reimbursement for the administrative costs associated with administration of the Ground Emergency Medical Transportation program; and

**WHEREAS**, the Ground Emergency Medical Transportation program is not part of any Medicaid expansion effort and is not associated with the Affordable Care Act; and

**WHEREAS**, enacting Ground Emergency Medical Transportation is a first step in facilitating implementation of the Ground Emergency Medical Transportation program in Alaska.

**NOW, THEREFORE, BE IT RESOLVED** that the Fairbanks City Council supports legislation facilitating implementation of the Ground Emergency Medical Transportation program in Alaska.

**PASSED and APPROVED** this 5th day of February 2018.



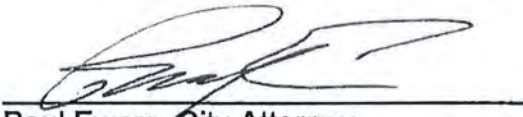
\_\_\_\_\_  
Jim Matherly, Mayor

AYES: PASSED and APPROVED on the CONSENT AGENDA  
NAYS: None  
ABSENT: None  
APPROVED: February 5, 2018

ATTEST:

APPROVED AS TO FORM:

  
D. Danyielle Snider, CMC, City Clerk

  
Paul Ewers, City Attorney



## Fairbanks Fire Department

1101 Cushman Street, Fairbanks, AK. 99701-4620  
(907) 450-6800 Fax (907) 450-6866  
fire@fairbanks.us



**Jim Styers, Fire Chief**

---

February 10, 2018

The Honorable Adam Wool  
House of Representatives  
Alaska State Capitol  
Juneau, Alaska 99801-1182

**SUBJECT: Support for Ground Emergency Transport (HB176)**

Dear Representative Wool,

I am writing to you today in support of HB 176 the Ground Emergency Transport bill. HB 176 will benefit fire departments and EMS providers throughout the State of Alaska by allowing them to receive a higher rate of reimbursement for transporting patients that are covered by Medicaid. The current amount received for transport of a Medicaid patient does not come close to cover the cost to the transporting agency.

In 2017 the City of Fairbanks fire department transported just over 1,000 Medicaid patients. The uncompensated costs were over \$600,000. This uncompensated cost is placed on the local taxpayer. Passing of HB 176 will help cover most of the uncompensated cost. This additional revenue can be used to increase public safety within the City of Fairbanks.

With the State's current financial shortage, it's also having an affect on the City of Fairbanks financial situation. This year the City is losing several full time positions including one firefighter position. The fire department's run volume has increased 19% over the last three years. This increase in call volume has caused an increase in requests from area departments for assistance. Area departments are not able to continue giving this amount of assistance to the City of Fairbanks. They have started to turn down requests leaving citizens in need waiting for help they need. The additional revenue generated will go a long way in helping the City to respond to the increase and reduce the amount of mutual aid requested from area departments.

I strongly urge your support of funding the HB176, as this will help not only the citizens of Fairbanks but all citizens in Alaska.

Sincerely,

James N Styers  
Fire Chief



*Steese Volunteer Fire Department, Inc.*

*800 William C. Leary Lane*

*Fairbanks, Alaska 99712*

*Phone: (907) 457-3710 Fax: (907) 457-1512*

*Mitch Flynn, Fire Chief*

February 13, 2018

Dear Representative Adam Wool,

Thank you for supporting HB176 that supports "GEMT" for Alaska's ambulance ground transport services. This bill allows public ambulance transport agencies to receive supplemental reimbursement from the Federal Government for ambulance transports. It provides the needed legislation to allow federal reimbursement funds to flow through the state and then back to public agencies that provide emergency ambulance and transports for qualifying Medicaid patients.

A single Medicaid payment provides an average of \$455 for each transport where the true cost to provide the service is close to \$1,100 per transport within the Fairbanks North Star Borough. This federal legislation will provide much of the balance shortfall we experience. Thank you for support in this legislation.

Respectfully,

Mitch Flynn, Fire Chief

Steese VFD

800 William C. Leary Lane

Fairbanks, AK 99712

[907-457-1519](tel:907-457-1519) (office)

[907-347-7685](tel:907-347-7685) (cell)

[907-457-1512](tel:907-457-1512) (fax)

[mitch.flynn@steesefire.org](mailto:mitch.flynn@steesefire.org)



February 1, 2018

Co-Chair Rep. Neal Foster  
Co-Chair Rep. Paul Seaton  
Alaska House Finance Committee  
State Capitol  
Juneau, AK 99801

RE: HB 176

Dear Co-Chairs Foster and Seaton:

I am writing in support of House Bill 176, an Act relating to medical assistance reimbursement for emergency medical transportation.

HB 176 will allow fire departments across Alaska recover some of the otherwise unrecoverable expenses related to providing emergency medical care to patients covered under the Medicaid system. Currently these additional expenses are absorbed by either the local government or the agency providing the medical care. I am told that HB 176, if adopted, will not incur any costs to the State of Alaska. This program is apparently not part of the Medicaid expansion and is not dependent on the Affordable Care Act.

If approved by the Alaska Legislature, HB 176 allows eligible EMS providers to bill the federal system annually for certain approved costs. The ability to do so will provide funding to our EMS departments. Those dollars could mean additional staffing, medical equipment, training, or as simple as heat and electricity in buildings. In the case of the City of Craig, the EMS annual budget of \$172,000 is offset by service revenues of approximately \$30,000. Efforts that allow the city to recoup additional service revenues from ambulance runs are sorely needed.

The City of Craig encourages you to support HB 176 as well.

Sincerely,

A handwritten signature in black ink, appearing to read "Jon Bolling".

Jon Bolling  
Craig City Administrator

Cc: Rep. Jonathan Kreiss-Tomkins

My name is Abigail Hills. I am from a small town on Prince of Wales Island. I am in tenth grade and I go to Naukati School.

I am interested in HB 176 because the town that I live in does not have any working fire trucks that hold water. My town does a lot of fundraising but never gets enough money to buy a good, working fire truck that holds water. In the last year and a half, our town has had three or more buildings burn to the ground because we do not have a working fire truck that holds water. We have tried pumps but they do not work. With no fire truck that can hold water, we are unable to put the fire out, so we have to let the buildings burn.

This bill would help us because a new fire truck would be able to salvage some of the building instead of letting the building burn to the ground like most other buildings have. With this bill, we will be able to fundraise money for a new water truck instead of raising money to go towards the ambulance and its supplies. The bill will help us save money on the supplies and that money will go to the water truck.

I care very much about this bill because one of the houses that burnt down was my best friend's house.

I fully support this bill. I am hoping you will do the same and vote yes.



# Fairbanks North Star Borough

Mayor's Office

PO Box 71267 | 907 Terminal Street | Fairbanks, Alaska 99707-1267 | (907) 459-1300 | [www.fnsb.us](http://www.fnsb.us)

March 26, 2018

Senate Health & Social Services Committee  
Attn: Chair, Senator David Wilson  
Alaska State Capitol Building  
Juneau, Alaska 99811

RE: HB 176

The Fairbanks North Star Borough offers our support to HB 176 regarding emergency medical transport services payments.

The Fairbanks North Star Borough provides non areawide emergency medical services funded through a combination of service fees and a tax levy. The cost of providing the service is split evenly between these two revenue sources. When a Medicaid-eligible patient is transported to the hospital, only a fraction of the cost is reimbursed by Medicaid. The GEMT Supplementary Reimbursement Program is a way to recover some of the uncompensated costs above what Medicaid covers.

The FNSB charges \$1,000 per ambulance transport, plus mileage charges; however, the average Medicaid reimbursement is only \$455 per patient. During CY 2016, approximately thirty percent of the patients transported by borough EMS providers were Medicaid beneficiaries, accruing more than \$430,000 in uncompensated costs. These uncompensated costs could be recoverable under the GEMT program.

Last year, the FNSB Assembly passed Resolution 2017-08 in support of legislation to facilitate implementation of an Alaska GEMT Supplemental Reimbursement Program.

I respectfully urge your support.

Thank you,

Karl W. Kassel  
Mayor