

**HOUSE BILL No. 2372**

By Committee on Health and Human Services

2-12

1 AN ACT concerning health and healthcare; relating to ground ambulance  
2 service providers; imposing a medicaid ambulance service provider  
3 assessment thereon; providing for powers, duties and functions of the  
4 department of health and environment related thereto.

5  
6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. (a) As used in this section:

8 (1) "Assessment" means the medicaid ambulance service provider  
9 assessment imposed pursuant to this section.

10 (2) "Department" means the department of health and environment.

11 (3) "Ground ambulance service provider" means a ground ambulance  
12 service provider permitted pursuant to K.S.A. 65-6127, and amendments  
13 thereto.

14 (4) "Medicaid" means medical assistance implemented pursuant to  
15 K.S.A. 39-709, and amendments thereto.

16 (b) (1) The department shall determine the amount of the assessment to  
17 be imposed on ground ambulance service providers. Each ground  
18 ambulance service provider shall pay such assessment at the time and in  
19 the manner required by the department. A ground ambulance service  
20 provider may specify a designee to make the assessment.

21 (2) The department may collect the assessment directly or  
22 collaboratively through a representative of the ground ambulance service  
23 provider.

24 (3) The department may designate responsibility for collection of the  
25 assessment and distribution of any federal matching funds received that  
26 are associated with such assessment to a third party, including for specific  
27 management of a subset of ground ambulance service providers that have a  
28 limited volume of medicaid patients.

29 (c) A ground ambulance service provider shall not increase such  
30 provider's charges or add a surcharge to ground ambulance service  
31 transport fees based on or as a result of the imposition of the assessment.

32 (d) The department shall reimburse each ground ambulance service  
33 provider that provided qualifying ground ambulance service transport  
34 services during the applicable assessment period, or the provider's  
35 designee, an amount not to exceed the emergency ambulance rates as  
36 determined by the United States centers for medicare and medicaid

1 services for similar payment rates.

2 (e) The department shall:

3 (1) Calculate the assessment pursuant to this section based upon the  
4 gross receipts from emergency services provided by the ground ambulance  
5 service provider;

6 (2) disburse assessment proceeds either directly to the ground  
7 ambulance service provider or through such provider's designee to increase  
8 rates for emergency services provided to medicaid recipients;

9 (3) apply any change to the assessment rate on an annual basis and  
10 uniformly to all ground ambulance service providers subject to the  
11 assessment; and

12 (4) evaluate current ground ambulance service provider  
13 reimbursement rates paid by medicaid managed care organizations and  
14 require increases to such rates to be consistent with current fee-for-service  
15 reimbursement rates.

16 (f) The assessment shall not generate more revenue than the  
17 maximum amount approved by the United States centers for medicare and  
18 medicaid services. The department shall not establish payment rates for  
19 ground ambulance service providers that are higher than current United  
20 States centers for medicare and medicaid services payment rates.

21 (g) The department shall implement the assessment beginning on the  
22 first day of the calendar quarter following receipt of the federal approval  
23 required by subsection (l). Disbursements to ground ambulance service  
24 providers, or such providers' designees, shall begin not later than 120 days  
25 following receipt of such approval.

26 (h) Assessment revenues shall be expended in the following order of  
27 priority:

28 (1) An annual amount of the greater of \$200,000 or 3% of the  
29 aggregate total of the assessments imposed shall be retained by the  
30 department to offset administration expenses incurred by the department,  
31 including direct expenses or contract expenses;

32 (2) to increase medicaid payment rates for fee-for-service medicaid  
33 ground ambulance services to a rate not higher than the maximum rate  
34 authorized by the United States centers for medicare and medicaid services  
35 or to make supplemental payments to ground ambulance service providers  
36 in an amount proportional to each such provider's total medicaid  
37 ambulance services; and

38 (3) if any moneys remain, to increase nonemergency medical  
39 transport reimbursement rates.

40 (i) Each ground ambulance service provider shall report to the  
41 department, at the time and in the manner prescribed by the department,  
42 any emergency ground ambulance service revenue collected. Such report  
43 shall include, at a minimum, the number of emergency ground transports

1 completed during the previous calendar year and the total amount of  
2 revenue collected therefrom.

3 (j) The secretary shall remit all moneys received from the assessment  
4 imposed pursuant to this section to the state treasurer in accordance with  
5 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such  
6 remittance, the state treasurer shall deposit the entire amount into the state  
7 treasury to the credit of the medicaid ground ambulance service provider  
8 assessment fund.

9 (k) (1) There is hereby established in the state treasury the medicaid  
10 ground ambulance service provider assessment fund as a reappropriating  
11 fund, and such fund shall be administered by the secretary of health and  
12 environment. All expenditures from such fund shall be for the purposes  
13 authorized and required by this section. All expenditures from such fund  
14 shall be made in appropriation acts upon warrants of the director of  
15 accounts and reports issued pursuant to vouchers approved by the  
16 secretary or the secretary's designee.

17 (2) The medicaid ground ambulance service provider assessment  
18 fund shall be used for the purposes set forth in this section and for no other  
19 governmental purposes. It is the intent of the legislature that the fund and  
20 the moneys deposited into the fund shall remain intact and inviolate for the  
21 purposes set forth in this section.

22 (3) On or before the 10<sup>th</sup> day of each month, the director of accounts  
23 and reports shall transfer from the state general fund to the medicaid  
24 ground ambulance service provider assessment fund interest earnings  
25 based on the:

26 (A) Average daily balance of moneys in the medicaid ground  
27 ambulance service provider assessment fund; and

28 (B) net earnings rate of the pooled money investment portfolio for the  
29 preceding month.

30 (l) The department shall submit to the United States centers for  
31 medicare and medicaid services any approval request necessary to  
32 implement this section. On or before October 1, the department shall  
33 determine whether federal approval is necessary for the implementation of  
34 this section. The department shall not implement this section before  
35 receiving such approval, including approval for federal financial  
36 participation.

37 (m) If the United States centers for medicare and medicaid services  
38 or a court of competent jurisdiction determines that the imposition of the  
39 assessment is unlawful or otherwise invalid:

40 (1) To the extent that federal financial participation is not reduced, the  
41 department shall disburse the moneys remaining in the fund that were  
42 derived from the assessment; and

43 (2) the department shall refund any remaining moneys to each ground

1 ambulance service provider in proportion to the amount paid by each such  
2 provider during the most recently completed calendar quarter payment  
3 period.

4 (n) The department shall adopt rules and regulations as necessary to  
5 implement and administer this section.

6 Sec. 2. This act shall take effect and be in force from and after its  
7 publication in the statute book.