

Senate Bill 651

Sponsored by Senator KRUSE

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Modifies distribution and distribution formula for Medicaid supplemental reimbursement paid for emergency medical services.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to medical assistance reimbursement of emergency medical services; amending sections 2
3 and 3, chapter 34, Oregon Laws 2016; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** Section 2, chapter 34, Oregon Laws 2016, is amended to read:

6 **Sec. 2.** (1) As used in sections 2 and 3, **chapter 34, Oregon Laws 2016** [*of this 2016 Act*]:

7 (a) "Emergency medical services" means the services provided by emergency medical services
8 providers to an individual experiencing a medical emergency in order to:

9 (A) Assess, treat and stabilize the individual's medical condition; or

10 (B) Prepare and transport the individual by ground to a medical facility.

11 (b) "Emergency medical services provider" or "provider" means an entity that:

12 (A) Employs individuals who are licensed by the Oregon Health Authority under ORS chapter
13 682 to provide emergency medical services; and

14 (B)(i) Is owned or operated by a local government, a state agency or a federally recognized In-
15 dian tribe; or

16 (ii) Contracts with a local government pursuant to a plan described in ORS 682.062.

17 (c) "Federal financial participation" means the portion of medical assistance expenditures for
18 emergency medical services that are paid or reimbursed by the Centers for Medicare and Medicaid
19 Services in accordance with the state plan for medical assistance.

20 (d) "Local government" has the meaning given that term in ORS 174.116.

21 (2) Upon request, an emergency medical services provider that has entered into a provider
22 agreement with the authority is eligible to receive Medicaid supplemental reimbursement from the
23 authority for the cost of providing emergency medical services to a medical assistance recipient.
24 The Medicaid supplemental reimbursement shall be added to the payment for the emergency medical
25 services established by the authority in accordance with ORS 414.065.

26 (3)(a) Except as provided in paragraph (b) of this subsection, the Medicaid supplemental re-
27 imbursement paid to an emergency medical services provider shall be equal to the amount of federal
28 financial participation received by the authority for the provider's cost for the emergency medical
29 services, **minus 20 percent for the authority's administrative costs**.

30 (b) The Medicaid supplemental reimbursement paid to a provider under this section may not
31 exceed the provider's actual costs for the emergency medical services, determined in accordance

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 with standards established by the authority, less the amount of reimbursement that the provider is
 2 eligible to receive from all sources, including the payment amount for emergency medical services
 3 established by the authority in accordance with ORS 414.065.

4 (4) An emergency medical services provider shall make readily available to the authority doc-
 5 umentation, data and certifications, as prescribed by the authority, necessary to establish that the
 6 emergency medical services expenditures qualify for federal financial participation and to calculate
 7 the amount of Medicaid supplemental reimbursement that is due.

8 (5)(a) Except as provided in paragraph (b) of this subsection, the authority shall modify the
 9 method for calculating or paying the Medicaid supplemental reimbursement if modification is nec-
 10 cessary to ensure that emergency medical services expenditures qualify for federal financial partic-
 11 ipation.

12 (b) This section does not authorize the payment of Medicaid supplemental reimbursement to an
 13 emergency medical services provider if the provider has not entered into a provider agreement[,]
 14 with the authority[,] to serve medical assistance recipients.

15 (c) If the Centers for Medicare and Medicaid Services approves the implementation of this sec-
 16 tion and later revokes its approval or expresses its intent to revoke or refuse to renew its approval,
 17 the authority shall report the fact at the next convening of the interim or regular session commit-
 18 tees of the Legislative Assembly related to health care.

19 (6) General Fund moneys may not be used to implement this section. [*As a condition of receiving*
 20 *Medicaid supplemental reimbursement, an emergency medical services provider must enter into and*
 21 *comply with an agreement with the authority to reimburse the authority for the costs of administering*
 22 *this section.*]

23 (7) This section applies [*only*] to emergency medical services providers, **both private and**
 24 **nonprofit**, that are reimbursed by the authority on a fee-for-service basis.

25 **SECTION 2.** Section 3, chapter 34, Oregon Laws 2016, is amended to read:

26 **Sec. 3.** (1) The Oregon Health Authority shall develop and implement an intergovernmental
 27 transfer program to provide for the transfer of funds from an emergency medical services provider
 28 to the authority to pay the costs of providing emergency medical services to **medical assistance**
 29 **recipients** [*members of a coordinated care organization*]. The authority shall pay any federal finan-
 30 cial participation received by the authority as a result of the transfer of funds, **minus 20 percent**
 31 **for the authority's administrative costs**, to [*the*] **each** coordinated care organization **based upon**
 32 **the percentage of all medical assistance recipients in this state who are enrolled in the co-**
 33 **ordinated care organization**. The coordinated care organization shall [*increase, by the same*
 34 *amount,*] **use the funds received under this subsection to increase** the amount of reimbursement
 35 paid to the emergency medical services provider for the costs of the emergency medical services
 36 **after withholding no more than:**

37 (a) **Seven percent of the funds for administrative costs; and**

38 (b) **Twenty percent of the funds for costs associated with aligning the reimbursement of**
 39 **emergency medical services with the goals of the Oregon Integrated and Coordinated Health**
 40 **Care Delivery System.**

41 (2) [*The increased reimbursement paid under subsection (1) of this section shall be at least*
 42 *actuarially equivalent to the*] **All emergency medical services providers in this state, both pri-**
 43 **ivate and nonprofit, are eligible for the** Medicaid supplemental reimbursement for the emergency
 44 medical services paid under section 2, **chapter 34, Oregon Laws 2016** [*of this 2016 Act*].

45 (3) General Fund moneys may not be used to implement this section. [*As a condition of partic-*

1 *ipation in the intergovernmental transfer program described in subsection (1) of this section, an emer-*
2 *gency medical services provider must agree to pay a fee to reimburse the authority for the costs of*
3 *administering the program. The fee may not exceed 20 percent of the cost of the emergency medical*
4 *services provided. The authority shall allow up to 120 percent of the fee to be counted as an operating*
5 *cost for providers.]*

6 (4) An emergency medical services provider shall make readily available to the authority doc-
7 umentation, data and certifications, as prescribed by the authority, necessary to establish that the
8 emergency medical services expenditures qualify for federal financial participation and to calculate
9 the amount due to a coordinated care organization for the expenditures.

10 (5) If the authority determines that any expenditure made by an emergency medical services
11 provider does not qualify for federal financial participation, the authority shall return the funds as-
12 sociated with the expenditure to the provider or refuse to accept the transfer of funds associated
13 with the expenditure.

14 (6) Participation by any coordinated care organization or emergency medical services provider
15 in the program must be voluntary.

16 (7) The authority shall consult with emergency medical services providers in the development,
17 implementation and operation of the intergovernmental transfer program.

18 **SECTION 3. This 2017 Act being necessary for the immediate preservation of the public**
19 **peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect**
20 **on its passage.**

21 _____