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STATE REPRESENTATIVE • 50th ASSEMBLY DISTRICT

Testimony before the Assembly Committee on Local Government
Assembly Bill 161

Good morning, Chair Novak and committee members. Thank you for holding this hearing today on Assembly Bill 161.

Emergency Medical Services (EMS) providers across Wisconsin are facing significant issues with funding and staffing, which is leading to problems with access or lack of coverage for many communities. These challenges are negatively impacting EMS providers in urban and rural areas alike. There isn't a one size fits all solution to address all of these issues, instead a multifaceted approach that helps communities of all sizes is going to be key in making sure the EMS system as a whole is viable and successful for years to come.

At the end of last session, we passed 2021 Wisconsin Act 228 which requires DHS to submit a state plan amendment to allow for Wisconsin EMS providers to take part in supplemental payment opportunities for public and private EMS providers. If approved by CMS, these supplemental payments could help to alleviate some of the funding pressure on EMS service providers. Other states have been using CMS approved supplemental payment programs for both private and public EMS services to pay effectively higher rates, without using additional state GPR funding. Prior to Act 228, there were no comparable financing mechanisms for EMS providers in Wisconsin.

In order to fully implement and allow DHS to run the ambulance assessment program for private EMS providers, we need this bill. This bill provides the necessary permissions for DHS to distribute the additional federal matching dollars to the private EMS providers. It also allows DHS to use a small portion of the funds to administer the program.

It's important to note this bill is necessary to implement the path for additional payments for private EMS providers. The public EMS providers use a separate path to receive additional funds, and that program is in the process of being implemented by DHS, with the hope of being operational by the end of this fiscal year. Act 228 included paths for both public and private EMS providers with these enhanced payment options because of the different service structures across Wisconsin. For example, some communities have their own EMS and ambulance services, some communities have contracts with a private service, and some communities use a combination of both.

Allowing Wisconsin's EMS providers to take part in these programs will be beneficial to the patients they're serving, as better funding can increase access and quality outcomes, ensuring proper care in the right place, at the right time, with the right solutions. This will also be beneficial to taxpayers, as many communities are facing increased costs related to providing critical EMS services. Unfortunately, due to these cost increases, there are some communities where an ambulance may not come if you call 911, and we need to continue to take action to ensure that doesn't happen.

Finally, Assembly Amendment 1 removes the provision in the bill that specified that DHS had to distribute the matching funds within 60 days of receiving them. This amendment came at the request of DHS, and is supported by the stakeholders.

Thank you for your consideration of Assembly Bill 161. I'm happy to answer any questions at this time.



State of Wisconsin
Department of Health Services

Tony Evers, Governor
Kirsten L. Johnson, Secretary

TO: Members of the Assembly Committee on Local Government

FROM: HJ Waukau, Legislative Director

DATE: June 6, 2023

RE: AB 161 relating to: ambulance assessment program supplemental reimbursements, payment of administrative costs, and making an appropriation.

The Department of Health Services (DHS) would like to submit testimony in support of Assembly Bill 161 (AB 161) as amended by Assembly Amendment 1. AB 161 would implement the creation of an ambulance service provider trust fund as specified under 2021 Act 228. Act 228 creates an ambulance service provider assessment on private ambulance service providers for supplemental reimbursements under the Medicaid program. It also creates a trust fund from which the reimbursements will be distributed by imposing a fee on all private ambulance service providers for the privilege of doing business in Wisconsin.

The emergency medical services (EMS) industry is currently facing numerous challenges from staffing to financial sustainability, and Governor Evers' 2023-25 biennial budget makes significant investments in EMS to remedy these issues. To help address the significant areas of need for EMS, Governor Evers included in his budget a \$250 million appropriation that can be used to support local public safety services, including EMS. In addition to this cornerstone investment in EMS, the Governor's budget also recommends:

- Establishing statutory language that removes the barriers first responders with post-traumatic stress disorder face when seeking worker's compensation.
- Providing 1.0 FTE to staff an ambulance inspection program.
- Providing 1.0 FTE to expand the Office of Preparedness and Emergency Health Care.
- Providing the statutory authority and funding necessary to implement 2021 Act 228.

Governor Evers' budget also included \$150 million GPR to continue the Emergency Medical Services Flex Grants in fiscal year 2023-24. However, that funding was removed from the budget by the Joint Committee on Finance in Motion #10 on May 2, 2023. To date DHS has awarded \$32 million in flex grants to 442 licensed EMS agencies across the state to help with costs related to supplies, equipment, training, staffing, and the procurement of emergency response vehicles.

The language in AB 161 closely resembles the language in Governor Evers' 2023-25 biennial budget (AB 43/SB 70), with the exception of the inclusion of a provision requiring DHS to make all payments to eligible ambulance service providers within 60 days. Assembly Amendment 1 would remove the 60-day requirement and allow DHS adequate time to accurately implement the ambulance service provider assessment.

The primary concern with the 60-day reimbursement requirement is that until a state plan amendment (SPA) is approved, DHS will not know what requirements the Centers for Medicare & Medicaid Services (CMS) will impose as a condition of a SPA approval. Knowledge of the conditions of the SPA approval are necessary for DHS to be able to finalize system requirements, thus making the 60-day requirement problematic as it may be infeasible to implement all federal requirements in the specified timeframe. DHS is actively working with ambulance service providers to implement the provisions of Act 228 in a timely and expeditious manner.

In the interim, DHS is working to do what it can to finalize systems requirements, while having conversations with CMS around the approval of the SPA. Further, DHS has worked with the bill authors on amending AB 161 to remove the 60-day provision and appreciates the partnership with both the bill authors and the ambulance service providers to make the requisite updates to AB 161.

DHS would like to thank the bill authors and the ambulance service providers for their collaboration on both AB 161 and 2021 Act 228. Additionally, DHS thanks the Committee for the opportunity to submit testimony in support of AB 161 as amended and offers itself as a resource for the Committee.