



State of Wisconsin
2021 - 2022 LEGISLATURE

LRB-4407/1
TJD:cdc

2021 ASSEMBLY BILL 874

January 18, 2022 - Introduced by Representatives LOUDENBECK, DALLMAN, BROOKS, DUCHOW, JAMES, KERKMAN, KRUG, KURTZ, MURSAU, NOVAK, SHANKLAND, SUBECK, SUMMERFIELD, VRUWINK and ALLEN, cosponsored by Senators FELZKOWSKI, BEWLEY, COWLES and PETROWSKI. Referred to Committee on Local Government.

1 **AN ACT to create** 20.435 (4) (xm), 25.17 (1) (aj), 25.776, 49.45 (3) (em), 49.45 (15r)
2 and 256.23 of the statutes; **relating to:** emergency medical transportation
3 services under Medical Assistance program and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill implements an ambulance service provider assessment on private ambulance service providers for supplemental reimbursements under the Medical Assistance program and a supplemental reimbursement under the Medical Assistance program to public ambulance service providers through certified public expenditures. Currently, the Department of Health Services administers the Medical Assistance program, which is a joint federal and state program that provides health services to individuals who have limited financial resources. Generally, under the Medical Assistance program, the state provides its share of the funding for benefits and the federal government then contributes its designated share of funding, also known as federal financial participation.

The bill imposes on each ambulance service provider a fee for the privilege of doing business in Wisconsin. The fee, as established by DHS is a percentage of the ambulance service provider's net patient revenues from ground emergency ambulance transports such that the total fee for a fiscal year is no less than one quarter of 1 percent lower than the maximum limit for a provider fee under federal regulation. DHS must obtain approval from the federal government, if necessary, to obtain matching funds, and if federal approval is required, is prohibited from collecting the fee until DHS receives that approval. The bill requires DHS to expend

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the moneys collected from the fee assessment to supplement reimbursements to ambulance service providers for services provided on a fee-for-service basis and through managed care to Medical Assistance program recipients.

The bill also requires DHS to submit a state plan amendment to the federal government to allow supplemental reimbursements under the Medical Assistance program to public ambulance service providers for ground emergency medical transportation through certified public expenditures. In certain circumstances under the certified public expenditure process under current federal law, a public provider may certify its costs for providing services to Medical Assistance recipients that are in excess of the usual Medical Assistance reimbursement for those services and then receive a supplement to cover otherwise unreimbursed costs.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.435 (4) (xm) of the statutes is created to read:

2 20.435 (4) (xm) *Ambulance service provider trust fund; ambulance service*
3 *provider payments.* From the ambulance service provider trust fund, all moneys
4 received from the assessment under s. 256.23 (2), to supplement reimbursement of
5 eligible ambulance service providers under s. 49.45 (3) (em) for services provided
6 under the Medical Assistance Program under subch. IV of ch. 49 and to make
7 payments to health maintenance organizations for their payments to eligible
8 ambulance service providers.

9 **SECTION 2.** 25.17 (1) (aj) of the statutes is created to read:

10 25.17 (1) (aj) Ambulance service provider trust fund (s. 25.776);

11 **SECTION 3.** 25.776 of the statutes is created to read:

12 **25.776 Ambulance service provider trust fund.** There is created a
13 separate nonlapsible trust fund designated as the ambulance service provider trust
14 fund, consisting of all moneys received from fees from ambulance service providers
15 under s. 256.23 (2).

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1 **SECTION 4.** 49.45 (3) (em) of the statutes is created to read:

2 49.45 (3) (em) The department shall expend moneys collected under s. 256.23
3 (2) to supplement reimbursement for eligible ambulance service providers, as
4 defined in s. 256.23 (1) (a), for services provided under the Medical Assistance
5 program under this subchapter, including services reimbursed on a fee-for-service
6 basis and provided under managed care, by eligible ambulance service providers.

7 **SECTION 5.** 49.45 (15r) of the statutes is created to read:

8 49.45 (15r) EMERGENCY MEDICAL TRANSPORTATION REIMBURSEMENT. The
9 department shall submit a state plan amendment to the federal department of
10 health and human services to allow payment of supplemental reimbursements
11 under the Medical Assistance program under this subchapter to public ambulance
12 service providers, as defined in s. 256.01 (3), for ground emergency medical
13 transportation through certified public expenditures. If the state plan amendment
14 under this subsection is approved, the department shall pay to an ambulance service
15 provider that complies with a certified public expenditure arrangement, as
16 established by the department, a supplemental reimbursement equal to the amount
17 of federal financial participation for ground emergency medical transportation
18 services in accordance with state and federal law and regulations, except that the
19 total reimbursement under the Medical Assistance program for the transportation
20 may not exceed the actual cost to the ambulance service provider of providing the
21 transportation. If the federal department of health and human services disapproves
22 the state plan amendment, the department may not pay the supplement under this
23 subsection.

24 **SECTION 6.** 256.23 of the statutes is created to read:

25 **256.23 Ambulance service provider fee. (1)** In this section:

ASSEMBLY BILL 874**SECTION 6**

1 (a) "Eligible ambulance service provider" means any privately owned
2 ambulance service provider.

3 (b) "Emergency ambulance transport" means all of the following:

4 1. Each ground emergency ambulance transport that requires the delivery of
5 life support services, including basic life support or advanced life support, by an
6 emergency medical responder or emergency medical services practitioner at any
7 practice level.

8 2. Any other ambulance transport that is designated by the department to be
9 subject to the fee under sub. (2).

10 **(2)** For the privilege of doing business in this state, there is imposed on each
11 eligible ambulance service provider a fee that is equal to a uniform percentage, as
12 determined under sub. (3), of the eligible ambulance service provider's net patient
13 revenues from emergency ambulance transports. Except as provided in sub. (4), each
14 eligible ambulance service provider shall pay the fee under this subsection in a
15 manner determined by the department acting in collaboration with the Professional
16 Ambulance Association of Wisconsin, or its successor organization, no more
17 frequently than quarterly.

18 **(3)** The department shall establish the uniform percentage of the eligible
19 ambulance service provider's net patient revenues so that the total amount of fees
20 collected from an eligible ambulance service provider under sub. (2) in a state fiscal
21 year is an amount not less than one quarter of 1 percent lower than the maximum
22 limit for a provider fee under 42 CFR 433.68 (f) but does not exceed the maximum
23 limit.

