
Wisconsin Legislative Council

AMENDMENT MEMO



Memo published: February 23, 2022

Contact: Steve McCarthy, Senior Staff Attorney

2021 Assembly Bill 874

**Assembly Substitute
Amendment 1**

2021 ASSEMBLY BILL 874

2021 Assembly Bill 874 makes changes to state law to facilitate supplemental reimbursements under the Medical Assistance (MA) program for both privately owned and public ambulance services.

The bill provides for supplemental MA reimbursements for privately owned ambulance services by implementing an assessment program. Specifically, the bill requires that the Department of Health Services (DHS), which administers the MA program, must impose a fee on each privately owned ambulance service provider for the privilege of doing business in Wisconsin. The amount of the fee is based on a uniform percentage of the eligible ambulance service provider's net patient revenues from emergency ambulance transports. All fees collected are deposited into a separate nonlapsible trust fund that DHS must use to pay supplemental reimbursement for privately owned ambulance services for services provided under MA. The bill provides that DHS must submit a request for any state plan amendment, waiver, or other approval that is required to implement the assessment program, and that DHS may not collect the assessment unless the federal government approves the request.

The bill provides for supplemental MA reimbursements for public ambulance services by requiring that DHS seek federal approval of a state plan amendment that would allow supplemental MA reimbursement through certified public expenditures. If approved, DHS would be required to pay a supplemental reimbursement to public ambulance service providers that comply with a certified public expenditure arrangement equal to the amount of federal financial participation for ground emergency medical transportation services. The bill also specifies that the total reimbursement under the MA program for the transportation may not exceed the actual cost to the ambulance service provider of providing the transportation.

ASSEMBLY SUBSTITUTE AMENDMENT 1

The substitute amendment makes all of the following changes to the bill:

- Addresses a question about whether an ambulance service created by a municipality or group of municipalities as a nonprofit or for-profit entity constitutes a privately owned or public ambulance service provider by providing that any ambulance service provider that is owned by any municipality or group of municipalities, regardless of whether or not the ambulance service provider is organized as a nonprofit corporation, is considered a public ambulance service provider for the purposes of receiving supplemental MA reimbursements for ambulance service.
- Modifies the section of the bill that requires DHS to pay the supplement to privately owned ambulance providers from the assessment program. Specifically, the substitute amendment adds a sentence that provides that "Health plans shall be indemnified and held harmless for any errors made by the department or its agents in calculation of any supplemental reimbursement made under this paragraph."

- Modifies the assessment program by providing that “An eligible ambulance service provider cannot increase rates it charges for its services because of the imposition of the fee under this subsection.”
- Deletes the appropriation account created by the bill for the purpose of paying the supplement to privately owned ambulances providers and instead inserts the following nonstatutory provision to address the financing of the private ambulance provider supplement program:

The department of health services shall include in its 2023-25 biennial budget request an appropriation to expend the moneys in the ambulance service provider trust fund for the purposes under s. 49.45 (3) (em), including any request to expend the ambulance service provider trust fund moneys for the department’s costs in administering s. 256.23. Before the passage of the 2023-25 biennial budget act, the department of health services may submit to the joint committee on finance a request to supplement one of the department’s appropriation for the purposes of paying administrative costs of s. 256.23.

BILL HISTORY

Representative Loudenberg offered Assembly Substitute Amendment 1 on February 21, 2022. On February 22, 2022, the Joint Committee on Finance voted to recommend adoption of the amendment on a vote of Ayes, 12; Noes, 4, and passage of the bill, as amended, on a vote of Ayes, 16; Noes, 0.

SM:jal