



CABINET FOR HEALTH
AND FAMILY SERVICES

**Health and Human Services Delivery Task Force
July 24, 2023**

Implementation of HJR 38 from the 2023 Regular Session

**Lisa D. Lee, Commissioner
Department for Medicaid Services**

House Joint Resolution 38

- Directs Medicaid to apply for a waiver to permit the coverage of treatment, triage, and transport of patients by emergency ambulance
- Directs Medicaid to submit a state plan amendment (SPA) to cover treatment in place without transportation for emergency ambulance service
- Directs Medicaid to increase Medicaid reimbursement rates for ambulance services as funds become available

Treatment, Triage, and Transport

- Included treat, triage, and transport in Treat, No Transport State Plan Amendment (SPA)
- SPA submitted to the Centers for Medicare and Medicaid Services (CMS) on 07/14/2023
- Proposed effective date of January 1, 2024
- Transportation to locations other than hospital
- Medical services must be appropriate and medically necessary
- Regulation update is necessary

Alternate Destinations

- Seeking approval of State Plan Amendment (SPA) to add alternate destinations
 - Urgent treatment centers
 - Medical clinics
 - Behavioral health center
 - Physician office
- Limited to medical necessity for low-acuity patients
- Not a substitute for non-emergency medical transportation

Treatment in Place / Treat No Transport

- SPA submitted to CMS on July 14, 2023
- Anticipated effective date of January 1, 2024
- EMS providers may bill Medicaid for medical services rendered at the scene of an emergency call that does not result in patient transportation
- Medical services must be appropriate and medically necessary
- Billable under HCPCS code A0998, which will be added to the Kentucky Medicaid Transportation Fee Schedule
- Reimbursement linked to existing rate for A0429 [Basic Life Support (BLS) base, hospital] which is \$82.50 but any future changes to A0429 will be mirrored for A0998
- No mileage reimbursement due to no transport
- Expectation is that Managed Care Organizations (MCOs) will follow the Fee-for-Service (FFS) methodology

Increase in Reimbursement for Ambulance

- HB8 (2020 session)– Ambulance Provider Assessment Program (APAP)
- On March 31, 2021, the Department for Medicaid Services received CMS approval to implement APAP
 - APAP was submitted to CMS as a result of HB8 that was passed in the 2020 legislative session and became effective July 15, 2020. This legislation authorized an enhanced payment program for ground ambulance services
 - Reimburses up to available provider tax funding on Medicaid transports only, for all Kentucky ground ambulance providers Medicaid-licensed as Classes I – III (defined by KRS 142.301)
 - As a result of the new directed payment financing mechanism, Kentucky stakeholders elected to leverage this opportunity to achieve the following goals:
 - Provide enhanced reimbursement for qualifying ground transports
 - Promote access to high quality care and reduce unnecessary spending

Increase in Reimbursement for Ambulance (cont.)

- Provider tax funding:
 - State share of payments funded by the new provider tax
 - Tax is flat 5.5% of cash collections for emergency ground transports from all payors (tax is on all payors and enhancements are paid on Medicaid only)
 - Gross revenues should be reported only for transports originating in Kentucky as defined in KRS 142.301 and the draft regulation 907 KAR 3:060
 - All Class I – III ground ambulance providers will be taxed regardless of Medicaid utilization
- Quality measures for the program are:
 - Promote access to high-quality care by reducing ambulance response times
 - Increase the number of certified EMS practitioners

Increase in Reimbursement for Ambulance (cont.)

- Authorizes enhanced payment programs for fee for service (FFS) and managed care organization (MCO) ground ambulance services
- First program year was CY 2021 but requires approval every year
 - Annual add-ons are applied to historical utilization to determine interim payments and paid monthly (approximately \$3.8m/month). A final reconciliation to actual utilization will be performed after appropriate claims adjudication has occurred.
 - CY 2021 (total payments) = \$45,393,209
 - CY 2022 (total payments) = \$44,619,313
 - CY2023 (through June) = \$28,499,866
- In addition to base, mileage, and ancillaries, current supplemental payments are \$358 for emergency transports and \$101 for non-emergency transports

Behavioral Health Crisis Transport (BHCT)

- New provider type BHCT (type 59)
- SPA submitted to CMS on 6/25/2023. Anticipated effective date of 10/1/2023.
- Intended use:
 - Transport between facilities, including but not limited to transportation from emergency departments to behavioral health crisis treatment including:
 - 23-hour crisis observation stabilization;
 - Residential crisis stabilization units; or
 - Inpatient psychiatric hospitals.

Behavioral Health Crisis Transport (BHCT)

- Provider eligibility requirements:
 - Meet transportation requirements in existing KARs and other state/federal transportation requirements
 - Vehicle staffed by 2 employees (a driver and a support staff person)
 - 24/7/365 availability
 - Annual staff training (4 hours de-escalation, 8 hours behavioral health, and CPR training)

Questions

Contact information:

Lisa.Lee@ky.gov