

CHAPTER 62

(HB 152)

AN ACT relating to a Medicaid supplemental payment program for public ground ambulance providers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

- (1) *As used in this section, "public ground ambulance provider" means a ground ambulance provider licensed in accordance with administrative regulations promulgated by the Kentucky Board of Emergency Medical Services, which is owned or operated by a city, county, urban-county government, consolidated local government, charter county government, unified local government, or special district, except for a local rescue squad district created under KRS Chapter 39F.*
- (2)
 - (a) *The Department for Medicaid Services shall submit a Medicaid preprint with a January 1, 2026, effective date to the Centers for Medicare and Medicaid Services seeking authorization to establish and administer a supplemental payment program to provide state-directed Medicaid managed care payments to eligible public ground ambulance providers.*
 - (b) *If approved by the Centers for Medicare and Medicaid Services, the department shall:*
 1. *Establish and administer the program to provide state-directed Medicaid payments to eligible public ground ambulance providers for services provided under the managed care component of the Medicaid program;*
 2. *Operate the supplemental payment program described in this section separately from the assessment and directed payment program established under KRS 142.318, 205.5601, 205.5602, and 205.5603;*
 3. *Utilize a cost report to determine the average cost per transport, which shall be used in the upper payment limit calculation for the Medicaid managed care-directed payments;*
 4. *Establish a cost-based payment methodology in accordance with the Centers for Medicare and Medicaid Services' rules and regulations; and*
 5. *Promulgate administrative regulations necessary to carry out this section.*
- (3)
 - (a) *The state match funds required for the supplemental payment program for public ground ambulance providers shall:*
 1. *Be provided by public ground ambulance providers participating in the supplemental payment program via intergovernmental transfers or similar government fund transfers; and*
 2. *Include a total of two hundred thousand dollars (\$200,000) annually that shall be retained by the department to offset administrative expenses related to the supplemental payment program for public ground ambulance providers. Each participating public ground ambulance provider shall be responsible for a percentage of the administrative fee retained by the department under this subparagraph equal to the percentage of the total number of qualifying ambulance runs a participating public ground ambulance provider made during the previous year.*
 - (b) *Participating public ground ambulance providers shall identify and utilize a source of funding for the intergovernmental fund transfers required by paragraph (a) of this subsection, which shall:*
 1. *Be separate from the assessment authorized under KRS 205.6406;*
 2. *Not be from the state general fund; and*
 3. *Comply with the requirements of the Centers for Medicare and Medicaid Services.*
 - (c) *A continued local source of funding shall be identified for the nonfederal share, which shall:*
 1. *Be separate from the assessment authorized under KRS 142.318;*
 2. *Not be from the state general fund; and*
 3. *Comply with the requirements of the Centers for Medicare and Medicaid Services.*

- (4) *To be eligible to receive state-directed payments under this section, a public ground ambulance provider shall:*
- (a) *Hold a valid Medicaid provider agreement;*
 - (b) *Submit an annual cost report in accordance with administrative regulations promulgated by the department; and*
 - (c) *Provide emergency medical transportation services to Medicaid beneficiaries.*

Signed by Governor March 24, 2025.