AN ACT relating to ground ambulance service providers and making an
appropriation therefor.

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:

For the purposes of Sections 1 to 6 of this Act, unless the context otherwise requires:

(1) "Ambulance service provider" means a Class I, II, or III ground ambulance
provider licensed under KRS Chapter 311A;

(2) "Assessment" means the Medicaid ambulance service provider assessment
established in Section 3 of this Act;

(3) "Board" means the Kentucky Board of Emergency Medical Services;

(4) "Cabinet" means the Cabinet for Health and Family Services;

(5) "Commissioner" means the commissioner for Medicaid services; and

(6) "Non-federal portion" means the state general fund dollars required to pay the
fee-for-service ambulance service provider rates as described in Section 4 of this
Act.

SECTION 2. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
READ AS FOLLOWS:

(1) An ambulance service provider shall pay an assessment to the cabinet in the
amount designated in Section 3 of this Act. Payment to the cabinet shall be due
quarterly, on a day determined by the board through the promulgation of
administrative regulations, or no more than thirty (30) days after the day on
which the board issues the ambulance service provider notice of assessment,
whichever is later.

(2) An ambulance service provider shall not increase charges or add a surcharge to
ground transport fees based on, or as a result of, the assessment established in
Sections 1 to 6 of this Act.
(3) No more than one hundred eighty (180) days after the end of each calendar year, the board shall submit to the cabinet transport data for all ambulance service providers licensed in Kentucky. That data shall include the number of emergency ground transports completed during the previous calendar year.

SECTION 3. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) The cabinet shall:

(a) Promulgate administrative regulations to establish the standards and procedures necessary to implement the provisions of Sections 1 to 6 of this Act;

(b) Calculate a uniform assessment per ground transport pursuant to subsection (2) of this section;

(c) Transfer assessment proceeds to the Finance and Administration Cabinet; and

(d) Apply any annual changes to the assessment rate described in subsection (2) of this section uniformly to all assessed ambulance service providers.

(2) The assessment due from an ambulance service provider shall equal the non-federal portion divided by the total number of statewide emergency ground transports, multiplied by the number of emergency ground transports completed by the ambulance service provider.

(3) The assessment shall not generate more than the sum of:

(a) An annual amount of two hundred thousand dollars ($200,000) to offset the Medicaid administration expenses; and

(b) The non-federal portion.

(4) For each fiscal year, the cabinet shall calculate the total number of emergency ground transports using data from the board as follows:

(a) For the fiscal year 2020-2021, the cabinet shall use ambulance service
transport data for the 2019 calendar year; and

(b) For each fiscal year after fiscal year 2020-2021, the cabinet shall use ambulance service transport data for the calendar year ending eighteen (18) months prior to the end of the respective fiscal year.

(5) The cabinet shall require an ambulance service provider that fails to pay an assessment due under this section to pay a penalty fee to the cabinet in addition to the assessment. The cabinet shall promulgate administrative regulations to establish the penalty fee.

SECTION 4. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

Upon approval by the Centers for Medicare and Medicaid Services of the assessment imposed under Sections 1 to 6 of this Act for fee-for-service rates effective on or after July 1, 2020, the cabinet shall reimburse each ambulance service provider that provided qualifying ground ambulance service transports during the relevant assessment period an amount not to exceed the emergency medical services ambulance rates adopted annually by the cabinet.

SECTION 5. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) The assessment shall not be implemented until after the commissioner receives notice of federal matching fund approval from the Centers for Medicaid and Medicare Services.

(2) The commissioner shall implement Sections 1 to 6 of this Act to the extent that it is not inconsistent with the state Medicaid plan or any Kentucky federal Medicaid waivers.

(3) Within ninety (90) days after the effective date of this Act, the commissioner shall determine whether an amendment to any Kentucky federal Medicaid waiver is required to implement Sections 1 to 6 of this Act. If the commissioner determines
that an amendment to a Kentucky federal waiver is necessary, the commissioner is authorized to seek any necessary waiver amendment, and the assessment shall not take effect until the waiver amendment is approved.

SECTION 6. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) The ambulance service assessment revenue fund is hereby created as a trust fund within the State Treasury. The fund shall consist of the assessments and any related penalties collected by the cabinet under Sections 1 to 6 of this Act, donations made to the fund from private sources, and appropriations by the General Assembly.

(2) The ambulance service assessment revenue fund shall be administered by the Finance and Administration Cabinet.

(3) Moneys in the fund shall not be diverted to the general fund or any other public fund. Moneys in the fund may only be used to:

(a) Increase fee-for-service rates for ground ambulance services above those in effect on the effective date of this Act;

(b) Reimburse money to an ambulance service that is erroneously collected by the cabinet from an ambulance service provider under Sections 1 to 6 of this Act; or

(c) Reimburse the cabinet in the amount of two hundred thousand dollars ($200,000) annually for the purpose of administrative expenses.

(4) In the event that Sections 1 to 6 of this Act are rendered invalid and void:

(a) To the extent that federal matching is not reduced due to the impermissibility of the assessments, the cabinet shall disburse the moneys remaining in the fund that were derived from the assessment imposed by Sections 1 to 6 of this Act pursuant to subsection (3) of this section; and

(b) Following disbursement of moneys in the fund pursuant to paragraph (a) of
this subsection, the cabinet shall refund any remaining moneys to each
ambulance service provider in proportion to the amount paid by each
provider during the most recently completed quarterly payment period.

(5) Notwithstanding KRS 45.229, moneys in the fund not expended at the close of the
fiscal year shall not lapse but shall be carried forward to the next fiscal year.

(6) Any interest earnings of the trust fund shall become part of the fund and shall
not lapse.

(7) Moneys transferred to this fund are hereby appropriated for the purposes set
forth in this section.