



Testimony to the  
Senate Committee on Ways and Means  
Senate Bill 186  
Chief John Paul Jones  
Kansas State Association of Fire Chiefs  
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Madam Chairperson and members of the committee, good morning. My name is John Paul Jones, and I am representing the Kansas State Association of Fire Chiefs. I am offering written testimony as a proponent of SB 186.

SB 186 has been developed to assist eligible EMS agencies and Fire Departments that provide Ground Emergency Medical Transportation (GEMT) and first responder pre-stabilization EMS services for Medicaid patients in their communities. This initiative is viewed as relief for eligible entities that provide for EMS treatment and transport throughout the state of Kansas.

When a Medicaid patient is transported by ambulance, the current Kansas Medicaid reimbursement rate for that transport is far below the actual cost of providing the service, in some cases over \$1100 per call. Per Kansas EMS providers and KDHE data, recent 2014-2015 statistics indicate that approximately 33,000-35,000 calls likely involve a Medicaid patient. GEMT would assist by "filling the gap" now being shouldered by EMS providers (the vast majority of which are public agencies) and ultimately the tax payers.

GEMT enabling legislation would allow those eligible EMS agencies who provide EMS services to receive supplemental reimbursement from the Federal Government for valuable services being provided. This reimbursement would be in addition to the small amount of Medicaid monies currently received from the Kansas Medicaid Assistance Program.

All Federal Medicaid reimbursement in Kansas flows through the Kansas Department of Health and Environment (KDHE). Since the 1980's, hospitals and other health care agencies in Kansas have been using federal programs, like GEMT, to receive reimbursement for uncompensated care.

The Federal Government is required to provide assistance in the form of Medicaid reimbursement for qualified EMS agencies that meet certain criteria as allowed under Federal

Law. Each state that adopts a reimbursement program is “entitled” to receive federal funds to assist that state with providing this healthcare coverage. GEMT is not new, several states such as Florida, California, Texas, Indiana, North Carolina, Massachusetts and Louisiana use some form of these federal programs to draw down federal dollars to help offset the cost of providing Ground Emergency Medical Transport Services.

The Ground Emergency Medical Transport Supplemental Reimbursement Program could draw down federal dollars to help offset the cost of providing emergency medical treatment and transport services for qualifying Medicaid patients. Two primary mechanisms for drawing down federal dollars are Intergovernmental Transfers (IGT’s) and Certified Public Expenditures (CPE’s). The eligible agencies that operate the EMS services are allowed to participate in the recovery of costs associated with providing medical services which includes transportation of Medicaid beneficiaries when the state Medicaid program does not cover the full cost of the service. With this enabling legislation, eligible EMS transport agencies can recover the costs associated with providing care through these mechanisms.

As supported by the Kansas EMS Association (KEMSA), SB 186 includes language to allow for the possibility that private and non-profit providers may be considered for what is ultimately allowed under Federal Law by CMS for potential Federal reimbursement.

The state reimbursement rate for Kansas is 56% and is paid for by the Federal Government in the form of reimbursement for expenses incurred when treating and transporting Medicaid patients. The people of Kansas need access to quality EMS services in our communities, but because of the financial demands of providing these services, EMS agencies are being overburdened by the demands of uncompensated care. This GEMT measure will ensure that a portion of that cost be reimbursed to eligible, local Kansas EMS transport agencies.

Example: If a reimbursement eligible EMS transport agency and/or fire department has an annual volume of 9,000 ambulance transports per year, with a qualifying Medicaid percentage of 20% that would be 1800 qualifying Medicaid transports annually.

If the reimbursement rate is an average of \$350, and the calculated cost of services is \$1472, we subtract the \$350 from the \$1472 which leaves an uncompensated cost of \$1122 which is the amount that the provider cost shares at 56%/44% with the Federal Government. Because 56% amounts to \$628, we then multiply \$628 by the 1800 qualifying patient transports and one would be eligible to receive \$1,130,400 in new revenue for that agency alone. This is relief!

The GEMT program is strictly voluntary. Once the enabling legislation is passed in Kansas, then the GEMT program structure is written into the State Plan Amendment established through KDHE and CMS, followed by a negotiation with CMS (Centers for Medicaid Services) to facilitate federally allowable reimbursement. This reimbursement will cover EMS transport and may also cover the costs associated with first responder pre-stabilization.

There is no costs to the state in regard to the these potential reimbursement mechanisms. The potential reimbursement for eligible EMS agencies in Kansas Counties would range from \$20,000,000 to \$22,000,000 annually with approximately \$4,000,000 additional going to the state of Kansas because the state of Kansas would be eligible to benefit up to 20% of the reimbursement potential.

The first step with developing these types of programs is establishing the enabling legislation in order to create a State Plan Amendment or "SPA". The state will draft the SPA language and insure that it meets state regulations but they will only include what will pass muster with CMS in accordance with Federal Law. The SPA process establishes all of the rules for what can be included in the State GEMT program. The state will then submit the SPA for approval to CMS. Once CMS has approved the program, providers can begin to submit their reports for reimbursement. In fact, it may be possible that all costs associated with the development of the program could be applied to the cost of the service. Again, participation is always voluntary.

This effort to pass enabling legislation in Kansas has, through the efforts of Kansas State Association of Fire Chiefs, while bringing together a coalition made up of a variety of organizations and agencies as stakeholders within EMS and EMS Transport services, has provided an avenue and pathway for this written legislation to be submitted and considered. An effort was made to review input from associated stakeholders and coalition members and to incorporate the resulting suggested language changes into the revised version of SB 186 so that the language of the bill would be all encompassing and not exclude any possible program design that would be approved by CMS and therefore allowed under Federal Law.

The supporting members are the Kansas State Association of Fire Chiefs (KSAFC), Kansas State Council of Firefighters (KSCFF), Kansas Board of Emergency Medical Services (KBEMS), Kansas Emergency Medical Technician Association (KEMTA), the Mid America Regional Council Committee on Emergency Rescue (MARCER). We have worked very closely with the Kansas Department of Health and Environment (KDHE) in drafting this legislation.

It is our hope that you will support SB 186. Thank you for your consideration.