A-Engrossed
House Bill 4030

Ordered by the House February 11
Including House Amendments dated February 11

Sponsored by Representatives DOHERTY, BUCKLEY, WHISNANT; Representatives MCLAIN, NATHANSON, Senators DEVLIN, STEINER HAYWARD (at the request of Tualatin Valley Fire and Rescue) (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires Oregon Health Authority to amend Medicaid state plan to implement programs to increase medical assistance reimbursement paid to public providers of emergency medical services. Specifies requirements of programs.

Requires authority to convene work group to develop recommendations for implementation. Specifies groups that must be represented on work group.

Declares emergency, effective on passage.

1 **A BILL FOR AN ACT**

2 Relating to medical assistance reimbursement of emergency medical services; and declaring an
3 emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Sections 2 and 3 of this 2016 Act are added to and made a part of ORS**
6 **chapter 413.**

7 **SECTION 2. (1) As used in sections 2 and 3 of this 2016 Act:**

8 **(a) "Emergency medical services" means the services provided by emergency medical**
9 **services providers to an individual experiencing a medical emergency in order to:**

10 **(A) Assess, treat and stabilize the individual's medical condition; or**

11 **(B) Prepare and transport the individual by ground to a medical facility.**

12 **(b) "Emergency medical services provider" or "provider" means an entity that:**

13 **(A) Employs individuals who are licensed by the Oregon Health Authority under ORS**
14 **chapter 682 to provide emergency medical services; and**

15 **(B)(i) Is owned or operated by a local government, a state agency or a federally recog-**
16 **nized Indian tribe; or**

17 **(ii) Contracts with a local government pursuant to a plan described in ORS 682.062.**

18 **(c) "Federal financial participation" means the portion of medical assistance expenditures**
19 **for emergency medical services that are paid or reimbursed by the Centers for Medicare and**
20 **Medicaid Services in accordance with the state plan for medical assistance.**

21 **(d) "Local government" has the meaning given that term in ORS 174.116.**

22 **(2) Upon request, an emergency medical services provider that has entered into a pro-**
23 **vider agreement with the authority is eligible to receive Medicaid supplemental reimburse-**
24 **ment from the authority for the cost of providing emergency medical services to a medical**
25 **assistance recipient. The Medicaid supplemental reimbursement shall be added to the pay-**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

ment for the emergency medical services established by the authority in accordance with ORS 414.065.

(3)(a) Except as provided in paragraph (b) of this subsection, the Medicaid supplemental reimbursement paid to an emergency medical services provider shall be equal to the amount of federal financial participation received by the authority for the provider's cost for the emergency medical services.

(b) The Medicaid supplemental reimbursement paid to a provider under this section may not exceed the provider's actual costs for the emergency medical services, determined in accordance with standards established by the authority, less the amount of reimbursement that the provider is eligible to receive from all sources, including the payment amount for emergency medical services established by the authority in accordance with ORS 414.065.

(4) An emergency medical services provider shall make readily available to the authority documentation, data and certifications, as prescribed by the authority, necessary to establish that the emergency medical services expenditures qualify for federal financial participation and to calculate the amount of Medicaid supplemental reimbursement that is due.

(5)(a) Except as provided in paragraph (b) of this subsection, the authority shall modify the method for calculating or paying the Medicaid supplemental reimbursement if modification is necessary to ensure that emergency medical services expenditures qualify for federal financial participation.

(b) This section does not authorize the payment of Medicaid supplemental reimbursement to an emergency medical services provider if the provider has not entered into a provider agreement, with the authority, to serve medical assistance recipients.

(c) If the Centers for Medicare and Medicaid Services approves the implementation of this section and later revokes its approval or expresses its intent to revoke or refuse to renew its approval, the authority shall report the fact at the next convening of the interim or regular session committees of the Legislative Assembly related to health care.

(6) General Fund moneys may not be used to implement this section. As a condition of receiving Medicaid supplemental reimbursement, an emergency medical services provider must enter into and comply with an agreement with the authority to reimburse the authority for the costs of administering this section.

(7) This section applies only to emergency medical services providers that are reimbursed by the authority on a fee-for-service basis.

SECTION 3. (1) The Oregon Health Authority shall develop and implement an intergovernmental transfer program to provide for the transfer of funds from an emergency medical services provider to the authority to pay the costs of providing emergency medical services to members of a coordinated care organization. The authority shall pay any federal financial participation received by the authority as a result of the transfer of funds to the coordinated care organization. The coordinated care organization shall increase, by the same amount, the amount of reimbursement paid to the emergency medical services provider for the costs of the emergency medical services.

(2) The increased reimbursement paid under subsection (1) of this section shall be at least actuarially equivalent to the Medicaid supplemental reimbursement for the emergency medical services paid under section 2 of this 2016 Act.

(3) General Fund moneys may not be used to implement this section. As a condition of participation in the intergovernmental transfer program described in subsection (1) of this

section, an emergency medical services provider must agree to pay a fee to reimburse the authority for the costs of administering the program. The fee may not exceed 20 percent of the cost of the emergency medical services provided. The authority shall allow up to 120 percent of the fee to be counted as an operating cost for providers.

(4) An emergency medical services provider shall make readily available to the authority documentation, data and certifications, as prescribed by the authority, necessary to establish that the emergency medical services expenditures qualify for federal financial participation and to calculate the amount due to a coordinated care organization for the expenditures.

(5) If the authority determines that any expenditure made by an emergency medical services provider does not qualify for federal financial participation, the authority shall return the funds associated with the expenditure to the provider or refuse to accept the transfer of funds associated with the expenditure.

(6) Participation by any coordinated care organization or emergency medical services provider in the program must be voluntary.

(7) The authority shall consult with emergency medical services providers in the development, implementation and operation of the intergovernmental transfer program.

SECTION 4. (1) The Oregon Health Authority shall convene a work group to develop recommendations for implementing sections 2 and 3 of this 2016 Act in order to align the reimbursement of emergency medical services in this state with the goals of the Oregon Integrated and Coordinated Health Care Delivery System described in ORS 414.620 (1). The authority shall appoint to the work group its own representatives and representatives from:

(a) Fire departments;

(b) Coordinated care organizations; and

(c) Other stakeholder groups that have an interest in and contribute to emergency medical services provided to medical assistance recipients in this state.

(2) The recommendations must include a proposal that leverages new federal financial participation to:

(a) Increase the reimbursement for the cost of emergency medical services; and

(b) Advance the goals of the Oregon Integrated and Coordinated Health Care Delivery System including, but not limited to, the reduction of avoidable or unnecessary:

(A) Emergency medical transportation;

(B) Emergency room visits; and

(C) Hospital admissions and readmissions.

(3) The recommendations must:

(a) Identify the minimum amount of federal financial participation necessary to financially sustain the delivery of emergency medical services in this state;

(b) Specify exemption criteria for small fire departments, rural fire departments and other fire departments that could experience financial hardship if unable to meet the criteria to participate in the programs described in sections 2 and 3 of this 2016 Act;

(c) Include metrics to track the success of emergency medical services providers in advancing the Oregon Integrated and Coordinated Health Care Delivery System; and

(d) Consider the circumstances of small and rural fire departments.

SECTION 5. (1) Section 2 of this 2016 Act becomes operative on the later of July 1, 2017, or the date that the Centers for Medicare and Medicaid Services approves the implementation of section 2 of this 2016 Act.

1 **(2) Section 3 of this 2016 Act becomes operative on the later of July 1, 2017, or the date**
2 **that the Centers for Medicare and Medicaid Services approves the implementation of section**
3 **3 of this 2016 Act.**
4 **(3) If the Centers for Medicare and Medicaid Services determines that section 2 or 3 of**
5 **this 2016 Act may not apply to emergency medical services providers described in section 2**
6 **(1)(b)(B)(ii) of this 2016 Act, and refuses to approve the proposed amendments to the state**
7 **plan for medical assistance that are necessary to implement section 2 or 3 of this 2016 Act**
8 **based on that determination, the authority shall modify the proposed amendments to the**
9 **state plan for medical assistance to exclude the providers described in section 2 (1)(b)(B)(ii)**
10 **of this 2016 Act.**
11 **(4) The Oregon Health Authority shall immediately notify the Legislative Counsel if the**
12 **Centers for Medicare and Medicaid Services approves or disapproves, in whole or in part, the**
13 **implementation of section 2 or 3 of this 2016 Act.**
14 **SECTION 6. Sections 4 and 5 of this 2016 Act are repealed on December 31, 2017.**
15 **SECTION 7. This 2016 Act being necessary for the immediate preservation of the public**
16 **peace, health and safety, an emergency is declared to exist, and this 2016 Act takes effect**
17 **on its passage.**
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