

# House Bill 3307

Sponsored by COMMITTEE ON VETERANS AND EMERGENCY PREPAREDNESS (at the request of Oregon State Ambulance Association)

## 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 **as introduced**.

Assesses fee on emergency medical services providers and uses fee to increase reimbursement paid by Oregon Health Authority for emergency medical services transports.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to emergency medical services providers; and declaring an emergency.

3       Whereas emergency medical services providers play an essential role in serving this state's  
4 medical assistance recipients; and

5       Whereas private and contracted emergency medical services providers must be ensured equal  
6 access to funding for service that is available from the federal government; now, therefore,

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

### **SECTION 1. As used in sections 1 to 4 of this 2019 Act:**

8       **(1) "Emergency medical services" means the services provided by an emergency medical**  
9 **services provider 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 to a medical facility.**

12       **(2) "Emergency medical services provider" means an entity other than a fire department**  
13 **that:**

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

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

17       **(3) "Emergency medical services transport" means the evaluation of an individual expe-**  
18 **riencing a medical emergency and the transportation of the individual to the nearest medical**  
19 **facility capable of meeting the needs of the individual, for which an emergency medical ser-**  
20 **vices provider bills using any of the following Healthcare Common Procedure Codes:**

21       **(a) Advanced life support level 1, emergency;**

22       **(b) Basic life support, emergency;**

23       **(c) Advanced life support level 2, emergency or nonemergency; or**

24       **(d) Any successor procedure codes for services described in paragraphs (a) to (c) of this**  
25 **subsection, as determined by the authority.**

26       **(4)(a) "Gross receipts" means gross payments received as patient care revenue for**  
27 **emergency medical services transports, determined on a cash basis of accounting.**

28       **(b) "Gross receipts" does not include Medicaid supplemental reimbursement pursuant to**  
29 **ORS 413.234.**  
30

**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.

1       **SECTION 2.** (1) Beginning July 1 of each year, the Oregon Health Authority shall assess  
2 a quality assurance fee on each emergency medical services transport provided by an emer-  
3 gency medical services provider licensed in this state. The fee shall be in an amount equal  
4 to five percent of the projected total gross receipts for the following 12-month period divided  
5 by the projected number of emergency medical services transports in the following 12-month  
6 period. The projections must be based on the data reported under section 4 of this 2019 Act.

7       (2) The authority shall prescribe the manner and due dates for the assessment and col-  
8 lection of quality assurance fees under this section.

9       (3) The quality assurance fees collected by the authority may not exceed the amounts  
10 allowed by federal law.

11       (4) The authority may modify or make adjustments to any methodology, fee amount or  
12 other provision specified in this section and section 3 of this 2019 Act to the extent necessary  
13 to meet the requirements of federal law or to ensure federal financial participation in the  
14 costs of emergency medical services transports reimbursed by the authority.

15       (5) Interest shall be assessed on quality assurance fees not paid by the date due at 10  
16 percent per annum beginning on the day after the date the payment was due.

17       (6) In the event that any payment of a quality assurance fee is more than 60 days over-  
18 due, the authority shall assess a penalty equal to the interest charged under subsection (5)  
19 of this section for each month for which the payment is more than 60 days overdue.

20       (7) The authority may deduct the amount of any unpaid fee, interest or penalty assessed  
21 under this section from any fee-for-service medical assistance reimbursement owed to the  
22 emergency medical services provider until the full amount of the fee, interest or penalty is  
23 recovered. The authority may not make a deduction pursuant to this subsection until after  
24 the authority gives the emergency medical services provider written notification. The au-  
25 thority may permit the amount owed to be deducted over a period of time that takes into  
26 account the financial condition of the emergency medical services provider.

27       (8) All quality assurance fees, interest and penalties collected under this section shall be  
28 deposited into the Emergency Medical Services Fund established in section 5 of this 2019 Act.

29       (9) The authority may waive a portion or all of the interest or penalties, or both, assessed  
30 under subsections (5) and (6) of this section if the authority determines that the imposition  
31 of the full amount of the quality assurance fee in accordance with the due dates established  
32 under subsection (2) of this section is likely to impose an undue financial hardship on the  
33 emergency medical services provider. The waiver must be conditioned on the emergency  
34 medical services provider's agreement to pay the quality assurance fees on an alternative  
35 schedule developed by the authority.

36       (10) In the event of a merger, acquisition or similar transaction involving an emergency  
37 medical services provider that has outstanding quality assurance fees, interest or penalties  
38 due, the successor emergency medical services provider is responsible for paying to the au-  
39 thority the full amount of outstanding quality assurance fees, interest and penalties that are  
40 due on the effective date of the merger, acquisition or transaction.

41       **SECTION 3.** (1) On July 1 of each year, the Oregon Health Authority shall increase the  
42 fee-for-service medical assistance reimbursement paid for each emergency medical services  
43 transport by an amount equal to the total quality assurance fees projected to be received in  
44 the following 12-month period, minus the amounts retained by the authority under sub-  
45 section (2) of this section, divided by the projected number of emergency medical services

1 transports in the following 12-month period. The projections must be based on the data re-  
 2 ported to the authority under section 4 of this 2019 Act.

3 (2) The authority shall retain 10 percent of the fees collected under section 2 of this 2019  
 4 Act. Of the amount retained:

5 (a) Fifty percent shall be used by the authority to provide grants to coordinated care  
 6 organizations to be used to fund innovative ambulance programs; and

7 (b) Fifty percent may be used by the authority for the administration of sections 1 to 4  
 8 of this 2019 Act.

9 (3) The increase in reimbursement required under subsection (1) of this section shall be  
 10 paid only from the following sources:

11 (a) The Emergency Medical Services Fund established under section 5 of this 2019 Act;  
 12 and

13 (b) Federal financial participation in the costs of emergency medical services transports.

14 (4) The moneys described in subsection (2) of this section may not be used to supplant  
 15 existing funding for emergency medical services transports.

16 (5) The increase in reimbursement required under subsection (1) of this section shall be  
 17 required and payable only for periods in which emergency medical services providers are  
 18 required to pay quality assurance fees.

19 **SECTION 4.** (1) The Oregon Health Authority shall prescribe the form and manner for  
 20 an emergency medical services provider to report the data necessary to administer sections  
 21 2 and 3 of this 2019 Act.

22 (2) The authority may require a certification by each emergency medical services pro-  
 23 vider under penalty of perjury of the truth of the data reported under this section. An  
 24 emergency medical services provider shall report the data required by this section within five  
 25 days after the date upon which the report is due. After sending written notice to an emer-  
 26 gency medical services provider, the authority may impose a penalty of \$100 per day against  
 27 an emergency medical services provider for every day that the report is overdue. Any funds  
 28 resulting from a penalty imposed under this subsection shall be deposited in the Emergency  
 29 Medical Services Fund established in section 5 of this 2019 Act.

30 (3) An emergency medical services provider shall report to the authority the number of  
 31 emergency medical services transports it provided in each 12-month period, by payer type.

32 (4) An emergency medical services provider shall report to the authority its gross re-  
 33 cepts for each 12-month period.

34 **SECTION 5.** (1) The Emergency Medical Services Fund is established in the State Treas-  
 35 ury, separate and distinct from the General Fund. The Emergency Medical Services Fund  
 36 consists of moneys collected by the Oregon Health Authority under sections 2 and 4 of this  
 37 2019 Act. Moneys in the fund are continuously appropriated to the authority for the purpose  
 38 of:

39 (a) Enhancing federal financial participation in the costs of providing emergency medical  
 40 services transports to medical assistance recipients;

41 (b) Supporting quality improvement efforts by emergency medical services providers;

42 (c) Paying the expenses of the authority in administering sections 1 to 4 of this 2019 Act;  
 43 and

44 (d) Funding medical assistance for residents of this state.

45 (2) Interest earned by the fund shall be credited to the fund.

1       **SECTION 6.** (1) Sections 2 and 3 of this 2019 Act are in addition to and not in lieu of the  
2 provisions of ORS 413.234 and 413.235.

3       (2) The increase in reimbursement required under section 3 of this 2019 Act also applies  
4 to the reimbursement of emergency medical services providers, as defined in section 1 of this  
5 2019 Act, by coordinated care organizations, as defined in ORS 414.025.

6       **SECTION 7.** The Oregon Health Authority shall request federal approval as necessary to  
7 carry out sections 1 to 4 of this 2019 Act.

8       **SECTION 8.** (1) Sections 1 to 4 of this 2019 Act become operative on the date that the  
9 Centers for Medicare and Medicaid Services approves the implementation of sections 1 to 4  
10 of this 2019 Act.

11       (2) 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 sections 1 to 4 of this 2019 Act.

14       **SECTION 9.** This 2019 Act being necessary for the immediate preservation of the public  
15 peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect  
16 on its passage.

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