

AMENDED IN ASSEMBLY APRIL 7, 2014
AMENDED IN ASSEMBLY MARCH 28, 2014
CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2577

Introduced by Assembly Members Cooley and Pan

February 21, 2014

An act to amend Section 14105.94 of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 2577, as amended, Cooley. Medi-Cal: ground emergency *medical* transportation services: supplemental reimbursement.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing law authorizes certain ground emergency medical transportation providers to receive supplemental Medi-Cal reimbursement in addition to the rate of payment the provider would otherwise receive for those services. Existing law provides that participation in the supplemental reimbursement program by an eligible provider is voluntary, and requires the nonfederal share of the supplemental reimbursement to be paid only with funds from specified governmental entities.

This bill would include, as eligible providers, those that provide ground emergency medical transportation to Medi-Cal fee-for-service or managed care beneficiaries. The bill would also authorize the governmental entities to include, as the nonfederal share of expenditures

for ground emergency medical transportation services, and in collaboration with the department, voluntary intergovernmental transfers (IGTs) that conform with federal law. *The bill would provide specific timeframes for the implementation of these provisions.*

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14105.94 of the Welfare and Institutions
2 Code is amended to read:

3 14105.94. (a) An eligible provider, as described in subdivision
4 (b), may, in addition to the rate of payment that the provider would
5 otherwise receive for Medi-Cal ground emergency medical
6 transportation services, receive supplemental Medi-Cal
7 reimbursement to the extent provided in this section.

8 (b) A provider shall be eligible for supplemental reimbursement
9 only if the provider has all of the following characteristics
10 continuously during a state fiscal year:

11 (1) Provides ground emergency medical transportation services
12 to Medi-Cal fee-for-service or managed care beneficiaries.

13 (2) Is a provider that is enrolled as a Medi-Cal provider for the
14 period being claimed.

15 (3) Is owned or operated by the state, a city, county, city and
16 county, fire protection district organized pursuant to Part 2.7
17 (commencing with Section 13800) of Division 12 of the Health
18 and Safety Code, special district organized pursuant to Chapter 1
19 (commencing with Section 58000) of Division 1 of Title 6 of the
20 Government Code, community services district organized pursuant
21 to Part 1 (commencing with Section 61000) of Division 3 of Title
22 6 of the Government Code, health care district organized pursuant
23 to Chapter 1 (commencing with Section 32000) of Division 23 of
24 the Health and Safety Code, or a federally recognized Indian tribe.

25 (c) An eligible provider’s supplemental reimbursement pursuant
26 to this section shall be calculated and paid as follows:

27 (1) The supplemental reimbursement to an eligible provider, as
28 described in subdivision (b), shall be equal to the amount of federal
29 financial participation received as a result of the claims submitted
30 pursuant to paragraph (2) of subdivision (f).

1 (2) In no instance shall the amount certified pursuant to
2 paragraph (1) of subdivision (e), when combined with the amount
3 received from all other sources of reimbursement from the
4 Medi-Cal program, exceed 100 percent of actual costs, as
5 determined pursuant to the Medi-Cal State Plan, for ground
6 emergency medical transportation services.

7 (3) The supplemental Medi-Cal reimbursement provided by this
8 section shall be distributed exclusively to eligible providers under
9 a payment methodology based on ground emergency medical
10 transportation services provided to Medi-Cal beneficiaries by
11 eligible providers on a per-transport basis or other federally
12 permissible basis. The department shall obtain approval from the
13 federal Centers for Medicare and Medicaid Services for the
14 payment methodology to be utilized, and may not make any
15 payment pursuant to this section prior to obtaining that approval.

16 (d) (1) It is the Legislature's intent in enacting this section to
17 provide the supplemental reimbursement described in this section
18 without any expenditure from the General Fund. An eligible
19 provider, as a condition of receiving supplemental reimbursement
20 pursuant to this section, shall enter into, and maintain, an agreement
21 with the department for the purposes of implementing this section
22 and reimbursing the department for the costs of administering this
23 section.

24 (2) The nonfederal share of the supplemental reimbursement
25 submitted to the federal Centers for Medicare and Medicaid
26 Services for purposes of claiming federal financial participation
27 shall be paid only with funds from the governmental entities
28 described in paragraph (3) of subdivision (b) and certified to the
29 state as provided in subdivision (e).

30 (e) Participation in the program by an eligible provider described
31 in this section is voluntary. If an applicable governmental entity
32 elects to seek supplemental reimbursement pursuant to this section
33 on behalf of an eligible provider owned or operated by the entity,
34 as described in paragraph (3) of subdivision (b), the governmental
35 entity shall do all of the following:

36 (1) Certify, in conformity with the requirements of Section
37 433.51 of Title 42 of the Code of Federal Regulations, that the
38 claimed expenditures for the ground emergency medical
39 transportation services are eligible for federal financial
40 participation. The governmental entity may elect to include, in

1 collaboration with the department, and as the nonfederal share of
2 expenditures for ground emergency medical transportation services,
3 voluntary intergovernmental ~~transfers~~, *transfers (IGTs)*, as long
4 as the ~~intergovernmental transfers~~ *IGTs* are in conformity with
5 federal law. *If a governmental entity elects to include IGTs as the*
6 *nonfederal share of expenditures, the IGT funds shall be submitted*
7 *no later than November 1 of each year.*

8 (2) Provide evidence supporting the certification as specified
9 by the department.

10 (3) Submit data as specified by the department to determine the
11 appropriate amounts to claim as expenditures qualifying for federal
12 financial participation.

13 (4) Keep, maintain, and have readily retrievable, any records
14 specified by the department to fully disclose reimbursement
15 amounts to which the eligible provider is entitled, and any other
16 records required by the federal Centers for Medicare and Medicaid
17 Services.

18 (f) (1) The department shall promptly seek any necessary federal
19 approvals for the implementation of this section. The department
20 may limit the program to those costs that are allowable
21 expenditures under Title XIX of the federal Social Security Act
22 (42 U.S.C. 1396 et seq.). If federal approval is not obtained for
23 implementation of this section, this section shall not be
24 implemented.

25 (2) The department shall submit claims for federal financial
26 participation for the expenditures for the services described in
27 subdivision (e) that are allowable expenditures under federal law.
28 *If the state receives IGT funds as described in subdivision (e), the*
29 *department shall certify the IGT funds as the nonfederal share of*
30 *expenditures within 60 days of receiving the IGT funds. The*
31 *Controller shall transfer the federal financial participation*
32 *received as a result of claims for expenditures using IGT funds to*
33 *the department within 10 days of receiving the federal financial*
34 *participation.*

35 (3) The department shall, on an annual basis, submit any
36 necessary materials to the federal government to provide assurances
37 that claims for federal financial participation will include only
38 those expenditures that are allowable under federal law.

39 (g) (1) *The department shall distribute supplemental*
40 *reimbursement for eligible ground emergency medical*

1 *transportation providers for services provided to Medi-Cal*
2 *managed care beneficiaries to managed care plans within 15 days*
3 *of receiving the federal financial participation.*

4 (2) *Each managed care plan shall, within 30 days of receiving*
5 *funds under paragraph (1), distribute 100 percent of the funds*
6 *received to the eligible ground emergency medical transportation*
7 *providers in accordance with subdivision (c).*

8 ~~(g)~~

9 (h) (1) If either a final judicial determination is made by any
10 court of appellate jurisdiction or a final determination is made by
11 the administrator of the federal Centers for Medicare and Medicaid
12 Services that the supplemental reimbursement provided for in this
13 section must be made to any provider not described in this section,
14 the director shall execute a declaration stating that the
15 determination has been made and on that date this section shall
16 become inoperative.

17 (2) The declaration executed pursuant to this subdivision shall
18 be retained by the director, provided to the fiscal and appropriate
19 policy committees of the Legislature, the Secretary of State, the
20 Secretary of the Senate, the Chief Clerk of the Assembly, and the
21 Legislative Counsel, and posted on the department's Internet Web
22 site.

23 ~~(h)~~

24 (i) Notwithstanding Chapter 3.5 (commencing with Section
25 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
26 the department may implement and administer this section by
27 means of provider bulletins, or similar instructions, without taking
28 regulatory action.

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