

AMENDED IN ASSEMBLY AUGUST 19, 2016

AMENDED IN ASSEMBLY AUGUST 15, 2016

AMENDED IN ASSEMBLY JUNE 30, 2016

AMENDED IN SENATE MAY 31, 2016

AMENDED IN SENATE APRIL 26, 2016

AMENDED IN SENATE APRIL 5, 2016

## **SENATE BILL**

**No. 1300**

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**Introduced by Senator Hernandez**

February 19, 2016

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An act to add Article 3.91 (commencing with Section 14129) to Chapter 7 of Part 3 of Division 9 of the Welfare and Institutions Code, relating to Medi-Cal, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

### **LEGISLATIVE COUNSEL'S DIGEST**

SB 1300, as amended, Hernandez. Medi-Cal: emergency medical transport providers: quality assurance fee.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, 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 establishes a quality assurance fee program for skilled nursing and intermediate care facilities, as prescribed.

This bill, commencing July 1, 2017, and subject to federal approval, would impose a quality assurance fee for each transport provided by

an emergency medical transport provider, as defined, subject to the quality assurance fee in accordance with a prescribed methodology. The bill would authorize the director to exempt categories of emergency medical transport providers from the quality assurance fee if necessary to obtain federal approval. The bill would require the Director of Health Care Services to deposit the collected quality assurance fee into the Medi-Cal Emergency Medical Transport Fund, which the bill would create in the State Treasury, to be continuously appropriated, thereby making an appropriation, to the department to be used exclusively in a specified order of priority to enhance federal financial participation for ambulance services under the Medi-Cal program, and to provide additional reimbursement to, and to support quality improvement efforts of, emergency medical transport providers, to pay for state administrative costs, and to provide funding for health care coverage for Californians. The bill, on or before November 15, 2016, would require each emergency medical transport provider to report to the department specified data, including data on gross receipts, as defined, from the provision of emergency medical transports, as specified, in a manner and form prescribed by the department and, commencing on January 1, 2017, and each fiscal quarter thereafter, would require each emergency medical transport provider to report this data to the department. The bill would authorize the department to establish an Internet Web site for the submission of these data reports. The bill would authorize the department to require a certification by each emergency medical transport provider, under penalty of perjury, of the truth of these data reports. By expanding the scope of the crime of perjury, the bill would impose a state-mandated local program. The bill would authorize the department, upon written notice to the emergency medical transport provider, to impose a \$100 per day penalty against the provider for each day that the provider fails to make a report within 5 business days of the date upon which the data report was due.

The bill, commencing July 1, 2017, and subject to federal approval, would increase the Medi-Cal reimbursement to emergency medical transport providers for emergency medical transports, including both fee-for-service transports paid by the department and managed care transports paid by Medi-Cal managed care health plans, as specified.

The bill would authorize the department to adopt regulations as necessary to implement these provisions, as specified.

The bill would provide that the provisions of the bill shall cease to be implemented if any of certain conditions, including withdrawal of federal approval, are satisfied.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: yes.

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

- 1     SECTION 1. The Legislature finds and declares all of the
- 2     following:
- 3     (a) The Legislature recognizes the essential role that emergency
- 4     medical transport providers play in serving the state's Medi-Cal
- 5     beneficiaries. To that end, it has been and remains the intent of the
- 6     Legislature to improve funding for emergency medical transport
- 7     providers and obtain all available federal funds to make
- 8     supplemental Medi-Cal payments to emergency medical transport
- 9     providers.
- 10    (b) It is the intent of the Legislature to impose a quality
- 11    assurance fee to be paid by emergency medical transport providers,
- 12    which will be used to increase federal financial participation in
- 13    order to increase Medi-Cal payments to emergency medical
- 14    transport providers.
- 15    (c) It is the intent of the Legislature to increase the Medi-Cal
- 16    emergency medical transport reimbursement in Medi-Cal
- 17    fee-for-service and Medi-Cal managed care by increasing the
- 18    fee-for-service payment schedule for emergency medical transports
- 19    to support quality improvement efforts by emergency medical
- 20    transport providers, including, but not limited to, the provision of
- 21    advanced life support services, as defined in Section 1797.52 of
- 22    the Health and Safety Code.
- 23    (d) It is the further intent of the Legislature that the increased
- 24    fee-for-service and Medi-Cal managed care payment schedule

1 amounts pursuant to this article shall not result in any expenditure  
2 from the General Fund.

3 SEC. 2. Article 3.91 (commencing with Section 14129) is  
4 added to Chapter 7 of Part 3 of Division 9 of the Welfare and  
5 Institutions Code, to read:

6  
7 Article 3.91. Medi-Cal Emergency Medical Transportation  
8 Reimbursement Act  
9

10 14129. For purposes of this article, the following definitions  
11 shall apply:

12 (a) “Annual quality assurance fee rate” means the quality  
13 assurance fee assessed on each emergency medical transport  
14 applicable to each state fiscal year.

15 (b) “Aggregate fee schedule increase amount” means the product  
16 of the quotient described in paragraph (2) of subdivision (a) of  
17 Section 14129.3 and the Medi-Cal emergency medical transports,  
18 including both fee-for-service transports paid by the department  
19 and managed care transports paid by Medi-Cal managed care health  
20 plans, utilizing the billing codes for emergency medical transport  
21 for the state fiscal year.

22 (c) “Available fee amount” shall be calculated as the sum of the  
23 following:

24 (1) The amount deposited in the Medi-Cal Emergency  
25 Transportation Fund established under Section 14129.2 during the  
26 applicable state fiscal year, less the amounts described in  
27 subparagraphs (A) and (B) of paragraph (2) of subdivision (f) of  
28 Section 14129.2.

29 (2) Any federal financial participation obtained as a result of  
30 the deposit of the amount described in paragraph (1) in the  
31 Medi-Cal Emergency Transportation Fund for the applicable fiscal  
32 year.

33 (d) “Department” means the State Department of Health Care  
34 Services.

35 (e) “Director” means the Director of Health Care Services.

36 (f) “Effective state medical assistance percentage” means a ratio  
37 of the aggregate expenditures from state-only sources for the  
38 Medi-Cal program divided by the aggregate expenditures from  
39 state and federal sources for the Medi-Cal program for a state fiscal  
40 year.

1 (g) “Emergency medical transport” means the act of transporting  
2 an individual from any point of origin to the nearest medical facility  
3 capable of meeting the emergency medical needs of the patient by  
4 an ambulance licensed, operated, and equipped in accordance with  
5 applicable state or local statutes, ordinances, or regulations that  
6 are billed with billing codes A0429 BLS Emergency, A0427 ALS  
7 Emergency, and A0433 ALS2, and any equivalent, predecessor,  
8 or successor billing codes as may be determined by the director.  
9 “Emergency medical transports” shall not include transportation  
10 of beneficiaries by passenger car, taxicabs, litter vans, wheelchair  
11 vans, or other forms of public or private conveyances, nor shall it  
12 include transportation by an air ambulance provider. An  
13 “emergency medical transport” does not occur when, following  
14 evaluation of a patient, a transport is not provided.

15 (h) “Gross receipts” means gross payments received as patient  
16 care revenue for emergency medical transports, determined on a  
17 cash basis of accounting. “Gross receipts” shall include all  
18 payments received as patient care revenue for emergency medical  
19 transports, including payments for billing codes A0429 BLS  
20 Emergency, A0427 ALS Emergency, and A0433 ALS2, and any  
21 equivalent, predecessor, or successor billing codes as may be  
22 determined by the director, and any other ancillary billing codes  
23 associated with emergency medical transport as may be determined  
24 by the director. “Gross receipts” shall not include supplemental  
25 amounts received pursuant to Section 14105.94.

26 (i) “Emergency medical transport provider” means any provider  
27 of emergency medical transports.

28 (j) “Emergency medical transport provider subject to the fee”  
29 means all emergency medical transport providers that bill and  
30 receive patient care revenue from the provision of emergency  
31 medical transports, except emergency medical transport providers  
32 that are exempt pursuant to subdivision (c) of Section 14129.6.

33 (k) “Medi-Cal managed care health plan” means a “managed  
34 health care plan” as that term is defined in subdivision (ab) of  
35 Section 14169.51.

36 14129.1. (a) On or before November 15, 2016, each emergency  
37 medical transport provider shall report to the department data on  
38 the number of actual emergency medical transports by payor type,  
39 including, without limitation, Medi-Cal fee-for-service emergency  
40 medical transports and Medi-Cal managed care emergency medical

1 transports, and gross receipts from the provision of emergency  
2 medical transports provided in each quarter from July 1, 2015, to  
3 October 31, 2016, inclusive, in a manner and format prescribed  
4 by the department.

5 (b) Commencing with the fiscal quarter beginning on January  
6 1, 2017, and each fiscal quarter thereafter, on or before the 45th  
7 day of the quarter, each emergency medical transport provider  
8 shall report to the department data on the number of actual  
9 emergency medical transports by payor type, including, without  
10 limitation, Medi-Cal fee-for-service emergency medical transports  
11 and Medi-Cal managed care emergency medical transports, and  
12 gross receipts from the provision of emergency medical transports  
13 provided in the quarter preceding the quarter in which the report  
14 is due, in a manner and format prescribed by the department.

15 (c) The department may establish an Internet Web site for the  
16 submission of reports required by this section.

17 (d) The department may require a certification by each  
18 emergency medical transport under penalty of perjury of the truth  
19 of the reports required under this section. Upon written notice to  
20 an emergency medical transport provider, the department may  
21 impose a penalty of one hundred dollars (\$100) per day against an  
22 emergency medical transport provider for every day that an  
23 emergency medical transport provider fails to make a report  
24 required by this section within five days of the date upon which  
25 the report was due.

26 14129.2. (a) Commencing with the state fiscal quarter  
27 beginning on July 1, 2017, and continuing each state fiscal quarter  
28 thereafter, there shall be imposed a quality assurance fee for each  
29 emergency medical transport provided by each emergency medical  
30 transport provider subject to the fee in accordance with this section.

31 (b) (1) On or before June 15, 2017, and each June 15 thereafter,  
32 the director shall calculate the annual quality assurance fee rate  
33 applicable to the following state fiscal year based on the most  
34 recently collected data collected from emergency medical transport  
35 providers pursuant to Section 14129.1, and publish the annual  
36 quality assurance fee rate on its Internet Web site. In no case shall  
37 the fees calculated pursuant to this subdivision and collected  
38 pursuant to this article exceed the amounts allowable under federal  
39 law.

1 (A) For state fiscal year 2017–18, the annual quality assurance  
2 fee rate shall be calculated by multiplying the projected total annual  
3 gross receipts for all emergency medical transport providers subject  
4 to the fee by 5.1 percent, which resulting product shall be divided  
5 by the projected total annual emergency medical transports by all  
6 emergency medical transport providers subject to the fee for the  
7 state fiscal year.

8 (B) For state fiscal years 2018–19 and thereafter, the annual  
9 quality assurance fee rate shall be calculated by a ratio, the  
10 numerator of which shall be the sum of the product of the projected  
11 aggregate fee schedule amount and the effective state medical  
12 assistance percentage, and the amount described in subparagraph  
13 (A) of paragraph (2) of subdivision (f), and the denominator of  
14 which shall be 90 percent of the projected total annual emergency  
15 medical transports by all emergency medical transport providers  
16 subject to the fee for the state fiscal year.

17 (2) On or before June 15, 2017, and each June 15 thereafter, the  
18 director shall publish the annual quality assurance fee rate on its  
19 Internet Web site.

20 (3) In no case shall the fees calculated pursuant to this  
21 subdivision and collected pursuant to this article exceed the  
22 amounts allowable under federal law. If, on or before June 15 of  
23 each year, the director makes a determination that the fees collected  
24 pursuant to this subdivision exceed the amounts allowable under  
25 federal law, the director may reduce the increased fee-for-service  
26 payment schedule described in Section 14129.3 only to the extent  
27 necessary to reduce the fees calculated pursuant to this subdivision  
28 to comply with the amount allowable under federal law.

29 (4) If, during a state fiscal year, the actual or projected available  
30 fee amount exceeds or is less than the actual or projected aggregate  
31 fee schedule amount by more than 1 percent, the director shall  
32 adjust the annual quality assurance fee rate so that the available  
33 fee amount for the state fiscal year will approximately equal the  
34 aggregate fee schedule amount for the state fiscal year. The  
35 available fee amount for a state fiscal year will be considered to  
36 equal the aggregate fee schedule amount for the state fiscal year  
37 if the difference between the available fee amount for the state  
38 fiscal year and the aggregate fee schedule amount for the state  
39 fiscal year constitutes less than 1 percent of the aggregate fee  
40 schedule amount for the state fiscal year.

(c) (1) Each emergency medical transport provider subject to the fee shall remit to the department an amount equal to the annual quality assurance fee rate for the 2017–18 state fiscal year multiplied by the number of transports reported or that should have been reported by the emergency medical transport provider pursuant to subdivision (b) of Section 14129.1 in the quarter commencing April 1, 2017, based on a schedule established by the director. The schedule established by the director for the fee payment described in this paragraph shall require remittance of the fee payment according to the following guidelines:

(A) The director shall require an emergency medical transport provider that rendered 35,000 or more Medi-Cal fee-for-service emergency medical transports during the 2016 calendar year to remit the fee payment described in this paragraph on or after June 20, 2017.

(B) The director shall require an emergency medical transport provider that rendered fewer than 35,000 Medi-Cal fee-for-service emergency medical transports during the 2016 calendar year to remit 50 percent or less of the fee payment described in this paragraph on or after July 1, 2017.

(C) The director shall require an emergency medical transport provider that rendered fewer than 35,000 Medi-Cal fee-for-service emergency medical transports during the 2016 calendar year to remit any remaining fee payment amount described in this paragraph on or after August 15, 2017.

(2) Commencing with the state fiscal quarter beginning on October 1, 2017, and each state fiscal quarter thereafter, on or before the first day of each state fiscal quarter, each emergency medical transport provider subject to the fee shall remit to the department an amount equal to the annual quality assurance fee rate for the applicable state fiscal year multiplied by the number of transports reported or that should have been reported by the emergency medical transport provider pursuant to subdivision (b) of Section 14129.1 in the immediately preceding quarter.

(d) (1) Interest shall be assessed on quality assurance fees not paid on the date due at the greater of 10 percent per annum or the rate at which the department assesses interest on Medi-Cal program overpayments to hospitals that are not repaid when due. Interest shall begin to accrue the day after the date the payment was due



1 and shall be deposited in the Medi-Cal Emergency Medical  
2 Transport Fund established in subdivision (f).

3 (2) In the event that any fee payment is more than 60 days  
4 overdue, the department may deduct the unpaid fee and interest  
5 owed from any Medi-Cal reimbursement payments owed to the  
6 provider until the full amount of the fee, interest, and any penalties  
7 assessed under this article are recovered. Any deduction made  
8 pursuant to this subdivision shall be made only after the department  
9 gives the provider written notification. Any deduction made  
10 pursuant to this subdivision may be deducted over a period of time  
11 that takes into account the financial condition of the provider.

12 (3) In the event that any fee payment is more than 60 days  
13 overdue, a penalty equal to the interest charge described in  
14 paragraph (1) shall be assessed and due for each month for which  
15 the payment is not received after 60 days.

16 (e) The department shall accept an emergency medical transport  
17 provider's payment even if the payment is submitted in a rate year  
18 subsequent to the rate year in which the fee was assessed.

19 (f) (1) The director shall deposit the quality assurance fee  
20 collected pursuant to this section in the Medi-Cal Emergency  
21 Medical Transport Fund, which is hereby created in the State  
22 Treasury and, notwithstanding Section 13440 of the Government  
23 Code, is continuously appropriated without regard to fiscal years  
24 to the department for the purposes specified in this article.  
25 Notwithstanding Section 16305.7 of the Government Code, the  
26 fund shall also include interest and dividends earned on moneys  
27 in the fund.

28 (2) The moneys in the Medi-Cal Emergency Medical Transport  
29 Fund, including any interest and dividends earned on money in  
30 the fund, shall be available exclusively to enhance federal financial  
31 participation for ambulance services under the Medi-Cal program  
32 and to provide additional reimbursement to, and to support quality  
33 improvement efforts of, emergency medical transport providers,  
34 as well as to pay for the state's administrative costs and to provide  
35 funding for health care coverage for Californians, in the following  
36 order of priority:

37 (A) To pay for the department's staffing and administrative  
38 costs directly attributable to implementing this article, not to exceed  
39 the following amounts:

1 (i) For the 2016–17 fiscal year, one million three thousand  
2 dollars (\$1,003,000), exclusive of any federal matching funds.

3 (ii) For the 2017–18 fiscal year and each fiscal year thereafter,  
4 three hundred seventy-four thousand dollars (\$374,000), exclusive  
5 of any federal matching funds.

6 (B) To pay for the health care coverage in each fiscal year in  
7 the amount of 10 percent of the projected quality assurance fee  
8 revenue for that fiscal year, as calculated by the department on or  
9 before June 15 preceding that fiscal year, exclusive of any federal  
10 matching funds.

11 (C) To make increased payments to emergency medical transport  
12 providers pursuant to this article.

13 14129.3. (a) Effective July 1, 2017, the Medi-Cal  
14 fee-for-service payment schedule governing reimbursement to  
15 emergency medical transport providers for emergency medical  
16 transports shall be increased. *The increase to the fee-for-service*  
17 *payment schedule under this section shall be calculated on or*  
18 *before June 15, 2017, and shall remain the same for later fiscal*  
19 *years. The increase to the fee-for-service payment schedule under*  
20 *this section shall apply only to those billing codes identified in, or*  
21 *any equivalent, predecessor, or successor billing codes as may be*  
22 *determined by the director pursuant to, subdivision (g) of Section*  
23 *14129.* The department shall calculate the projections required by  
24 this subdivision based on the data submitted pursuant to Section  
25 14129.1. The resulting fee-for-service payment schedule amounts  
26 after the application of this section shall be equal to the sum of  
27 both of the following:

28 (1) The Medi-Cal fee-for-service payment schedule amount for  
29 the state fiscal year 2015–16.

30 (2) The quotient of the ~~projected~~ available fee amount *projected*  
31 *by the department on or before June 15, 2017*, for the state fiscal  
32 year 2017–18, divided by the total ~~projected~~ Medi-Cal emergency  
33 medical transports, including both fee-for-service transports paid  
34 by the department and managed care transports paid by Medi-Cal  
35 managed care health plans, utilizing these billing codes *projected*  
36 *by the department on or before June 15, 2017*, for the state fiscal  
37 year 2017–18.

38 (b) Each Medi-Cal managed care health plan shall satisfy its  
39 obligation under Section 438.114(c) of Title 42 of the Code of  
40 Federal Regulations for emergency medical transports by providing

1 payment to emergency medical transport providers that is equal  
2 to the amount of payment described in Section 1396u-2(b)(2)(D)  
3 of Title 42 of the United States Code.

4 (c) The fee-for-service and Medi-Cal managed care payment  
5 schedule increase established pursuant to this section shall be  
6 funded solely from the following:

7 (1) The quality assurance fee set forth in Section 14129.2, along  
8 with any interest or other investment income thereon.

9 (2) Federal reimbursement and any other related federal funds.

10 (d) The proceeds of the quality assurance fee set forth in Section  
11 14129.2, the matching amount provided by the federal government,  
12 and any interest earned on those proceeds shall be used to  
13 supplement existing funding for emergency medical transports  
14 provided by emergency transport providers and not supplant this  
15 funding.

16 14129.4. If there is a delay in the implementation of this article  
17 for any reason, including a delay in any required approval of the  
18 quality assurance fee and reimbursement methodology specified  
19 by the federal Centers for Medicare and Medicaid Services, all of  
20 the following shall apply:

21 (a) An emergency transport provider subject to the fee may be  
22 assessed the amount the provider would be required to pay to the  
23 department if the fee-for-service payment schedule increases  
24 described in Section 14129.3 were already approved, but shall not  
25 be required to pay the fee until the fee-for-service payment  
26 schedule increases described in Section 14129.3 are approved. The  
27 director shall establish a schedule for payment of retroactive fees  
28 pursuant to this subdivision in consultation with emergency medical  
29 transport providers to minimize the disruption to the cashflow of  
30 emergency medical transport providers.

31 (b) The department may retroactively increase and make  
32 payment of supplemental rates to emergency medical transport  
33 providers pursuant to Section 14129.3.

34 14129.5. (a) The director shall administer this article.

35 (b) The director may adopt regulations as are necessary to  
36 implement this article. These regulations may be adopted as  
37 emergency regulations in accordance with the rulemaking  
38 provisions of the Administrative Procedure Act (Chapter 3.5  
39 (commencing with Section 11340) of Part 1 of Division 3 of Title  
40 2 of the Government Code). For purposes of this article, the first

1 adoption of regulations shall be deemed an emergency and  
2 necessary for the immediate preservation of the public peace, health  
3 and safety, or general welfare. The regulations shall include, but  
4 need not be limited to, any regulations necessary for any of the  
5 following purposes:

6 (1) The administration of this article, including the proper  
7 imposition of the quality assurance fee and process for its  
8 collection, reporting, and refunds. The costs associated with the  
9 administration of this article are not to exceed the amounts  
10 reasonably necessary to administer this article.

11 (2) The development of any forms necessary to obtain required  
12 information from providers subject to the quality assurance fee.

13 (3) The provision of details, definitions, formulas, and other  
14 requirements.

15 (c) As an alternative to subdivision (b), and notwithstanding  
16 the rulemaking provisions of the Administrative Procedure Act  
17 (Chapter 3.5 (commencing with Section 11340) of Part 1 of  
18 Division 3 of Title 2 of the Government Code), the director may  
19 implement this article, in whole or in part, by means of a provider  
20 bulletin, or other similar instructions, without taking regulatory  
21 action, provided that no such bulletin or other similar instructions  
22 shall remain in effect after June 30, 2018. It is the intent of the  
23 Legislature that the regulations adopted pursuant to subdivision  
24 (b) be adopted on or before June 30, 2018.

25 (d) The director shall ensure that the quality assurance fee per  
26 transport imposed pursuant to this article is collected.

27 14129.6. (a) The department shall request approval from the  
28 federal Centers for Medicare and Medicaid Services for the use  
29 of fees collected pursuant to this article for the purpose of receiving  
30 federal matching funds.

31 (b) The director may alter the methodology specified in this  
32 article to the extent necessary to meet the requirements of federal  
33 law or regulations or to obtain federal approval. If the director,  
34 after consulting with affected emergency medical transport  
35 providers, determines that an alteration is needed, the director shall  
36 execute a declaration stating that this determination has been made.  
37 The director shall retain the declaration and provide a copy, within  
38 five working days of the execution of the declaration, to the fiscal  
39 and appropriate policy committees of the Legislature.

(c) The director may add categories of exempt emergency medical transport providers or apply a nonuniform fee per transport to emergency medical transport providers that are subject to the fee in order to meet requirements of federal law or regulations. The director may exempt categories of emergency medical transport providers from the fee if necessary to obtain federal approval.

14129.7. (a) This article shall be implemented only if, and as long as, ~~both~~ all of the following conditions are met:

(1) ~~The state receives federal approval of the quality assurance fee from the federal Centers for Medicare and Medicaid Services. Services does not determine that the quality assurance fee revenues may not be used for the purposes set forth in this article.~~

(2) The state receives federal approval for the increased fee-for-service payment schedule increases described in subdivision (a) of Section 14129.3.

(3) *The state continues its maintenance of effort for the level of state funding of emergency medical transports reimbursement for the 2017–18 rate year, and for every subsequent rate year, in an amount not less than the amount that the state would have paid for the same number of emergency medical transports under the rate methodology that was in effect on July 31, 2016.*

(b) This article shall cease to be implemented if one of the following conditions is satisfied:

(1) The federal Centers for Medicare and Medicaid Services no longer allows the use of the provider assessment provided in this article.

(2) The Medi-Cal fee-for-service payment schedule increase described in subdivision (a) of Section 14129.3 no longer remains in effect.

(3) The quality assurance fee assessed and collected pursuant to this article is no longer available for the purposes specified in this article.

(4) A final judicial determination by the California Supreme Court or any California Court of Appeal that the revenues collected pursuant to this article that are deposited in the Medi-Cal Emergency Medical Transport Fund are either of the following:

(A) “General Fund proceeds of taxes appropriated pursuant to Article XIII B of the California Constitution,” as used in

1 subdivision (b) of Section 8 of Article XVI of the California  
2 Constitution.

3 (B) “Allocated local proceeds of taxes,” as used in subdivision  
4 (b) of Section 8 of Article XVI of the California Constitution.

5 (5) *The state does not continue its maintenance of effort for the*  
6 *level of state funding of emergency medical transports*  
7 *reimbursement for the 2017–18 rate year, or for any subsequent*  
8 *rate year, in an amount not less than the amount that the state*  
9 *would have paid for the same number of emergency medical*  
10 *transports under the rate methodology in effect on July 31, 2016.*

11 (c) If all of the conditions in subdivision (a) are met, this article  
12 is implemented. If, subsequently, any one of the conditions in  
13 subdivision (b) is met, this article shall become inoperative  
14 notwithstanding that the condition or conditions subsequently may  
15 be met.

16 (d) Notwithstanding subdivisions (a), (b), and (c), in the event  
17 of a final judicial determination made by any state or federal court  
18 that is not appealed, or by a court of appellate jurisdiction that is  
19 not further appealed, in any action by any party, or a final  
20 determination by the administrator of the federal Centers for  
21 Medicare and Medicaid Services, that federal financial participation  
22 is not available with respect to any payment made under the  
23 methodology implemented pursuant to this article because the  
24 methodology is invalid, unlawful, or contrary to any provision of  
25 federal law or regulations or of state law, this article shall become  
26 inoperative.

27 SEC. 3. No reimbursement is required by this act pursuant to  
28 Section 6 of Article XIII B of the California Constitution because  
29 the only costs that may be incurred by a local agency or school  
30 district will be incurred because this act creates a new crime or  
31 infraction, eliminates a crime or infraction, or changes the penalty  
32 for a crime or infraction, within the meaning of Section 17556 of  
33 the Government Code, or changes the definition of a crime within  
34 the meaning of Section 6 of Article XIII B of the California  
35 Constitution.

36 SEC. 4. This act is an urgency statute necessary for the  
37 immediate preservation of the public peace, health, or safety within  
38 the meaning of Article IV of the Constitution and shall go into  
39 immediate effect. The facts constituting the necessity are:

1     In order to make the necessary changes to increase Medi-Cal  
2     payments to emergency ambulance providers and to improve  
3     access, at the earliest possible time, to allow this act to be operative  
4     as soon as approval from the federal Centers for Medicare and  
5     Medicaid Services is obtained by the State Department of Health  
6     Care Services, it is necessary that this act take effect immediately.

O