

H.263 Testimony

Sections 4, 5, and 6

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- DVHA supports the provision of ambulance services to Medicaid members and understands current system and fiscal pressures.
- DVHA is here to provide testimony on Sections 4, 5, and 6 to describe what Medicaid currently does, to offer technical corrections, and to share operational and fiscal considerations for these sections of the bill.

Section 4. (b) Medicaid Coverage for Emergency Medical Services

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(b) Services without transportation. Vermont Medicaid shall provide coverage of emergency medical services provided by an emergency medical services provider to a Medicaid beneficiary who was not transported to a different location during the period of emergency as defined by the Agency of Human Services by rule.

- Medicaid currently covers treatment without transport.
- Providers are billing for and being paid for these services.
- DVHA cannot give coding advice, but is developing clinical guidelines to support providers in determining whether or not they should submit a claim for the services.

Section 4. (c) Medicaid Coverage for Emergency Medical Services

(c) Transportation to alternative destination. Vermont Medicaid shall provide coverage of transportation services for a Medicaid beneficiary to an alternative destination when the beneficiary's condition does not meet the definition of emergency medical condition as defined by the Agency of Human Services by rule. Vermont Medicaid shall not provide coverage of transportation to an alternative destination unless the Medicaid beneficiary consents to being transported to that destination, and no ambulance service shall transport a person to an alternative destination in which the ambulance service has a financial interest. The Agency of Human Services shall establish by rule a reimbursement methodology to cover alternative destination transport by a ground ambulance service provider to ensure that reimbursement rates are reasonable and adequate.

- Medicaid currently pays for non-emergency medical transportation (NEMT) services to transport Medicaid members to non-emergency destinations. If a member requires an ambulance for that mode of transportation, the transportation will occur by ambulance.
- DVHA also has a code to pay providers for non-transport emergency services.

Section 4. (c) Medicaid Coverage for Emergency Medical Services (cont'd)

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- Federal law prohibits Medicaid payments for non-medically necessary services, e.g. for an ambulance to transport a member to a non-emergency department destination, unless there is a medical reason that the member requires ambulance transport:
 - Any non-emergent ambulance service must be ordered by a physician or certified as to necessity by a physician at the receiving facility. If an ambulance provider is unable to obtain a signed physician certification statement from the beneficiary's attending physician, a signed certification statement must be obtained from either the physician assistant, nurse practitioner, clinical nurse specialist, licensed social worker, case manager, or discharge planner.
- Ambulance transport to non-emergency destinations may present a costly alternative to non-emergency medical transportation.
- There are operational hurdles to developing a system to track member consent and to track financial interests of ambulance services.
- Having rate methodology codified in rule goes against Medicaid's current practice of maintaining rates in the State Plan. Rates in rule are inflexible and do not allow the state nor the Medicaid program to be responsive to emerging system needs.

Section 5. Coverage for Emergency Medical Services; Medicaid State Plan Amendment

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~~On or before September 1, 2023, the Agency of Human Services shall request approval from the Centers for Medicare and Medicaid Services to amend Vermont's Medicaid state plan to include coverage of services as set forth in Sec. 4 of this act.~~

- DVHA does not need legislation to submit a State Plan Amendment and requests this section be removed.

Section 6. Medicaid; Transportation; Provider Reimbursements

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It is the intent of the General Assembly that Vermont's health care system should reimburse all Medicaid-participating emergency medical services (EMS) providers at rates that are equal to 100 percent of the Medicare rates for the services provided. In support of this goal, in its 2024 budget proposal, the Department of Vermont Health Access shall either provide reimbursement rates for Medicaid participating EMS providers for emergency medical services at rates that are equal to 100 percent of the Medicare rates for the services in effect in calendar year 2022, with positive medical inflation adjustment rates in subsequent years, or, in accordance with 32 V.S.A. § 307(d)(6), provide information on the additional amounts that would be necessary to achieve full reimbursement parity for emergency medical services with the Medicare rates.

- DVHA provided information to this committee and JFO regarding the cost of this rate increase (next slide). The rate increase is not included in the Governor's recommended budget for SFY 2024.

Section 6: Medicaid; Transportation; Provider Reimbursements

Estimated **additional cost** to align EMS Medicaid rates with specific percentages of the Medicare fee schedule for SFY 2024:

	Gross	General Fund (GF)
80% of Medicare	\$1,217,301	\$529,282
100% of Medicare	\$3,119,640	\$1,356,419

Section 6. Medicaid; Transportation; Provider Reimbursements (cont'd)

- Medicare rate methodology is based on extensive work by CMS and others to ensure rates are aligned across services. Aligning rates with Medicare consistently over time allows DVHA to be responsive to changes in health care and to leverage CMS expertise.
- Rather than applying an annual inflationary factor, DVHA recommends a rate schedule that aligns with a percentage of the current Medicare reimbursement for 'standard' transport.

Section 10. Effective Dates

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(b) Sec. 4 (33 V.S.A. § 19011) shall take effect on January 1, 2024 ~~upon approval by the Centers for Medicare and Medicaid Services of Vermont's request to provide coverage of emergency medical services~~ as set forth in that section.

- DVHA recommends this take effect on January 1, 2024.