ALASKA STATE LEGISLATURE

Session

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Sponsor Statement – Version A House Bill 176 Ground Emergency Medical Transport

"An Act relating to medical assistance reimbursement for ground emergency medical transportation services; and providing for an effective date." Ground Emergency Medical Transportation (GEMT) relates to the emergency transportation of Medicaid-eligible patients. As it currently stands, Alaska's emergency medical service providers incur additional uncompensated costs when providing services to Medicaid beneficiaries, by as much as sixty percent.

Local Emergency Medical Services (EMS) providers calculate and certify the cost for Medicaid participants, and claims are paid by the state through the Department of Health and Social Services' fiscal agent, Conduent State Healthcare. Federal Centers for Medicare and Medicaid Services (CMS) calculate the state's share of the underfunded costs and subtracts that amount from the total. In essence, local EMS providers are funding the state's portion of costs by absorbing a loss equal to that amount.

By enacting this legislation along with an amendment to the state Medicaid plan, public EMS providers are eligible to access supplemental federal funding for emergency medical transportation of Medicaid patients. Further, CMS provides reimbursement for the administrative costs associated with GEMT by as much as twenty percent.

In state fiscal year 2016, the state reimbursed 15,362 units of GEMT. These 15,362 units of GEMT resulted in \$4,195,938 statewide reimbursement for GEMT services, with an average reimbursement per unit claim of \$274.74. The average claim amount was \$768 leaving an average of \$493.72 per unit claim not reimbursed to the service provider.

HB 176 would allow EMS providers around the state to collect underfunded costs from the effective date. Such a look back provision could allow for reimbursements markedly higher than the figures above and provide a financial boon to those organizations and communities. Even smaller communities such as Bethel estimate seeing nearly half a million dollars in additional reimbursements each year under GEMT.

The bill packet highlights widespread support for HB 176 throughout the state to help our local communities receive payments to actively cover the services they provide.