

Subject Ambulance Provider Assessment Program

Authors Huot and others

Analyst Randall Chun

Date March 14, 2023

Overview

This bill requires the commissioner of human services to charge nonpublic and nongovernmental ambulance services an ambulance provider assessment fee, and to use funds from the fee and the federal MA match to increase MA ambulance reimbursement to levels not to exceed the average commercial insurance rate. The bill also exempts ambulance services not operated by a hospital from the MinnesotaCare provider tax on gross revenues.

Summary

Section	Description
---------	-------------

1	Ambulance assessment and payment program.
---	--

Adds § 256B.1951.

Subd. 1. Definitions. Defines the following terms: ambulance provider, emergency ambulance services, fee, and gross revenues. Ambulance provider is defined as a licensed ambulance service, with the exception of: (1) an ambulance service operated by a public or governmental entity; and (2) a service that exclusively provides air ambulance services.

Subd. 2. Ambulance provider assessment fee. Requires the commissioner to charge each ambulance provider a quarterly ambulance service assessment fee on gross revenues, and to implement the fee as a health care related tax. Requires the fee to be updated annually and specifies other requirements.

Subd. 3. Ambulance fee fund. Establishes the ambulance fee fund in the state treasury, and requires the commissioner to deposit fees and other specified revenue into the fund.

Subd. 4. Expenditures from the ambulance fee fund. Requires the commissioner to use money in the fund only to increase MA payments to ambulance providers to a level that does not exceed the average commercial insurance rate. Requires the commissioner to make expenditures from the fund in a manner consistent with federal requirements, and in a manner that maximizes federal financial

Section	Description
---------	-------------

participation. Requires payments to providers to be made on a quarterly basis, and requires the commissioner to report annually to the legislature on expenditures from the ambulance fee fund.

Subd. 5. Federal approval required. States that implementation of subdivisions 1 to 4 is subject to federal approval, and specifies procedures to be followed if the federal government withdraws approval. Requires the commissioner to submit to CMS all Medicaid state plan amendments, waiver requests, and other documents required to implement this section.

States that subdivisions 1 to 4 are effective January 1, 2024, or upon federal approval, whichever is later, and that subdivision 5 is effective the day following final enactment.

2 **Volunteer ambulance services.**

Amends § 295.52, subd. 5. Exempts ambulance services from the MinnesotaCare tax of 1.8 percent of provider gross revenues, except that ambulance services operated by a hospital remain subject to the tax. (Under current law, only volunteer ambulance services are exempt from the tax.)

States that this section is effective for gross revenues received on or after January 1, 2024.



**MN HOUSE
RESEARCH**

Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn/hrd | 651-296-6753 | 155 State Office Building | St. Paul, MN 55155