

HCS SS SB 307 -- HEALTH CARE PROVIDER ASSESSMENTS

SPONSOR: Dempsey (Schaaf)

COMMITTEE ACTION: Voted "do pass" by the Committee on Healthcare Transformation by a vote of 11 to 1.

This substitute establishes health care provider assessments for ground ambulance services and certain mental health providers.

FEDERAL REIMBURSEMENT ALLOWANCE FOR AMBULANCE SERVICES

The substitute creates a federal reimbursement allowance for ground ambulance services. Each ambulance service, except state-owned and -operated ambulances, will be required to pay an ambulance service reimbursement allowance based on a formula established by the Department of Social Services. Each ambulance service is required to keep the records necessary to determine the amount of its reimbursement allowance and submit that information to the department by October 1 of each year.

The department director is required to annually determine and notify each ambulance service by October 1 of the amount of its reimbursement allowance due. If requested by the ambulance service, the department is authorized to offset the federal reimbursement allowance against any MO HealthNet Program payment due to the ambulance service.

Each ambulance service reimbursement allowance determination is final, unless the ambulance service files a protest with the department director within 30 days of receipt of the written notice. If a timely protest is filed, the department director must reconsider the determination and grant a hearing within 45 days if one is requested. The department director's final decision which must be made within 45 days after the hearing may be appealed to the Administrative Hearing Commission.

The Ambulance Service Reimbursement Allowance Fund is created to provide payment to ambulance services. All investment earnings of the fund must be credited to it.

The ambulance reimbursement allowance period will be from October 1 to September 30. The department is required to annually notify each ambulance service on September 30 of the balance due. If an ambulance service fails to pay its reimbursement allowance within 30 days of the notice, the reimbursement allowance is considered delinquent and the department may proceed with a lien against the ambulance service's property; deny, suspend, or revoke its license; and cancel or refuse to issue or extend its MO HealthNet provider

agreement.

The provisions of the substitute will apply only as long as the revenues generated are eligible for federal participation under the MO HealthNet Program. The substitute requires the department to provide copies of the proposed program rules to all interested parties 72 hours before filing them with the Secretary of State. The department director is required to maintain a list of registered interested parties.

Currently, ambulance reimbursement under the MO HealthNet Program is made through a base fee, which includes the first five miles of transport, and mileage for the remainder of the transport. The substitute requires reimbursement to be made based on mileage calculations from the point of pick up to the destination.

MENTAL HEALTH PROVIDER CERTIFICATION FEE

Beginning July 1, 2009, certain mental health providers will be subject to a certification fee including publicly and privately operated programs that have been certified to meet the Department of Mental Health's certification standards for providing residential habilitation, individualized supported living, or day habilitation services to developmentally disabled individuals. The fee will be based on a formula established by the department and will not be in effect until the department receives federal approval. The fee will be determined on an annual basis and prorated monthly by the department director and paid to the Director of the Department of Revenue. As an alternative to paying the fee, the Department of Social Services can offset from the amount of any payment to a provider the amount of the fee payment owed for any month. Every provider that is subject to the fee must annually submit an acknowledgment of certification for the purpose of paying the certification fee.

The Home and Community-based Developmental Disabilities Waiver Reimbursement Allowance Fund is created into which fee payments will be deposited. All investment earnings of the fund must be credited to it.

The Director of the Department of Social Services is authorized to withhold the estimated fee amount and remit it to the Director of the Department of Revenue. If a provider objects to the estimated fee or any other decision under the provisions of the substitute, a hearing may be requested. A provider will be offered 30 days to provide evidence of the correct amount due. The Director of the Department of Mental Health is required to issue a final decision within 45 days of the completed hearing.

The provisions regarding the ambulance reimbursement tax and the

certification fee for mental health providers will expire September 30, 2011.

The substitute contains an emergency clause for the provisions regarding the certification fee for mental health providers.

FISCAL NOTE: Estimated Cost on General Revenue Fund of \$24,725 in FY 2010, \$30,547 in FY 2011, and \$31,463 in FY 2012. No impact on Other State Funds in FY 2010, FY 2011, and FY 2012.

PROPOSERS: Supporters say that the bill will increase the reimbursement rates of the MO HealthNet Program for ground ambulances and provide additional federal funds.

Testifying for the bill were Senator Dempsey; and Metropolitan Ambulance Services Trust.

OPPOSERS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill explained how the certification fee for mental health providers will work.

Testifying on the bill was Department of Mental Health.