



## COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C-3

For the meeting of: July 22, 2014

Date: July 17, 2014  
To: Board of Supervisors  
From: Supervisor Ryan Sundberg  
Subject: Joint Letter of Support for AB 2577: Medi-Cal: Ground Emergency Medical Transportation Services Supplemental Reimbursement.

### RECOMMENDATION(S):

That the Board of Supervisors authorize the Chair to sign the joint letter of support.

SOURCE OF FUNDING: N/A

DISCUSSION: Humboldt County and the Hoopa Valley Tribe have worked closely together to support needed ambulance services in Hoopa and the rural areas of Humboldt County. AB 2577 as proposed, will allow eligible providers of ambulance services to obtain federal reimbursement for costs that otherwise may not be compensated as Medi-Cal providers shift from fee-for-service to managed care and HMO arrangements. The Hoopa Valley Tribal Council and the County of Humboldt are joining together in their support of this very important legislation.

FINANCIAL IMPACT: N/A

OTHER AGENCY INVOLVEMENT: N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS: Board discretion.

ATTACHMENTS: Bill Text and Letter of Support.

Prepared by Kathy Hayes Signature Ryan Sundberg  
REVIEW: Auditor \_\_\_\_\_ County Counsel \_\_\_\_\_ Personnel \_\_\_\_\_ Risk Manager \_\_\_\_\_ Other \_\_\_\_\_

### TYPE OF ITEM:

☒ Consent  
☐ Departmental  
☐ Public Hearing  
☐ Other \_\_\_\_\_

### PREVIOUS ACTION/REFERRAL:

Board Order No. \_\_\_\_\_

Meeting of: \_\_\_\_\_

**BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT**  
Upon motion of Supervisor Bass Seconded by Supervisor Sundberg

Ayes Sundberg, Lovelace, John, Fennell, Bass  
Nays \_\_\_\_\_  
Abstain \_\_\_\_\_  
Absent \_\_\_\_\_

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: July 22, 2014

By: Kathy Hayes  
Kathy Hayes, Clerk of the Board



BOARD OF SUPERVISORS

## COUNTY OF HUMBOLDT

825 5<sup>TH</sup> STREET

EUREKA, CALIFORNIA 95501-1153    PHONE (707) 476-2390    FAX (707) 445-7299

August 12, 2014

Senator Kevin de León, Chairman  
Senate Standing Committee on Appropriations  
State Capitol, Room 5108  
Sacramento, CA 95814

***RE:    Support for AB 2577***

Dear Senator de León:

We strongly urge passage of Assembly Bill 2577, a measure that would facilitate ground emergency medical transportation services in our area. Humboldt County and the Hoopa Valley Tribe have worked diligently and closely together to create and support needed ambulance services in this area. This Bill will help in that effort.

As you know, existing law authorizes certain ground emergency medical transportation providers to receive supplemental Medi-Cal reimbursement. AB2577 would include, as eligible providers of such services, certain ambulance services in rural Humboldt County that serve facilities such as the K'ima:w Medical Center, in Hoopa. In particular, Section 1(b)(3) authorizes providers that provide ambulance services to Medi-Cal fee-for-service, or managed care beneficiaries, where the provider is enrolled as a Medi-Cal provider and the provider is owned or operated by a federally recognized Indian tribe, such as the Hoopa Valley Tribe. As we understand it, this Bill will also allow public providers of ambulance services to obtain federal reimbursement for costs that otherwise may not be compensated as Medi-Cal providers shift from fee-for-service to managed care and HMO arrangements.

We respectfully urge your support for this legislation. Please feel free to contact us if we can be of any assistance.

Sincerely,



Rex Bohn, Chair  
Humboldt County Board of Supervisors



Danielle Vigil-Masten, Chairwoman  
Hoopa Valley Tribal Council

RB/DVM:kh

cc: Assemblymember Wesley Chesbro  
Assemblymember Ken Cooley  
Senator Noreen Evans  
Cynthia Gomez, Tribal Advisor &  
Executive Secretary/Native American  
Heritage Commission.

BILL NUMBER: AB 2577      AMENDED  
BILL TEXT

AMENDED IN SENATE    JUNE 12, 2014  
AMENDED IN ASSEMBLY    MAY 23, 2014  
AMENDED IN ASSEMBLY    MAY 1, 2014  
AMENDED IN ASSEMBLY    APRIL 7, 2014  
AMENDED IN ASSEMBLY    MARCH 28, 2014

INTRODUCED BY    Assembly Members Cooley and Pan

FEBRUARY 21, 2014

An act to amend Section 14105.94 of the Welfare and Institutions Code, relating to Medi-Cal, and declaring the urgency thereof, to take effect immediately.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 2577, as amended, Cooley. Medi-Cal: ground emergency medical transportation services: supplemental reimbursement.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, and 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 authorizes certain ground emergency medical transportation providers to receive supplemental Medi-Cal reimbursement in addition to the rate of payment the provider would otherwise receive for those services. Existing law provides that participation in the supplemental reimbursement program by an eligible provider is voluntary, and requires the nonfederal share of the supplemental reimbursement to be paid only with funds from specified governmental entities.

This bill would include, as eligible providers, those that provide ground emergency medical transportation to Medi-Cal fee-for-service or managed care beneficiaries. The bill would also authorize the governmental entities to include, as the nonfederal share of expenditures for ground emergency medical transportation services, and in collaboration with the department, voluntary intergovernmental transfers (IGTs) that conform with federal law. The bill would provide specific timeframes for the implementation of these provisions.

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

Vote: 2/3. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 14105.94 of the Welfare and Institutions Code is amended to read:

14105.94. (a) An eligible provider, as described in subdivision (b), may, in addition to the rate of payment that the provider would otherwise receive for Medi-Cal ground emergency medical transportation services, receive supplemental Medi-Cal reimbursement

to the extent provided in this section.

(b) A provider shall be eligible for supplemental reimbursement only if the provider has all of the following characteristics continuously during a state fiscal year:

(1) Provides ground emergency medical transportation services to Medi-Cal fee-for-service or managed care beneficiaries.

(2) Is a provider that is enrolled as a Medi-Cal provider for the period being claimed.

(3) Is owned or operated by the state, a city, county, city and county, fire protection district organized pursuant to Part 2.7 (commencing with Section 13800) of Division 12 of the Health and Safety Code, special district organized pursuant to Chapter 1 (commencing with Section 58000) of Division 1 of Title 6 of the Government Code, community services district organized pursuant to Part 1 (commencing with Section 61000) of Division 3 of Title 6 of the Government Code, health care district organized pursuant to Chapter 1 (commencing with Section 32000) of Division 23 of the Health and Safety Code, or a federally recognized Indian tribe.

(c) An eligible provider's supplemental reimbursement pursuant to this section shall be calculated and paid as follows:

(1) The supplemental reimbursement to an eligible provider, as described in subdivision (b), shall be equal to the amount of federal financial participation received as a result of the claims submitted pursuant to paragraph (2) of subdivision (f).

(2) In no instance shall the amount certified pursuant to paragraph (1) of subdivision (e), when combined with the amount received from all other sources of reimbursement from the Medi-Cal program, exceed 100 percent of actual costs, as determined pursuant to the Medi-Cal State Plan, for ground emergency medical transportation services.

(3) The supplemental Medi-Cal reimbursement provided by this section shall be distributed exclusively to eligible providers under a payment methodology based on ground emergency medical transportation services provided to Medi-Cal beneficiaries by eligible providers on a per-transport basis or other federally permissible basis. The department shall obtain approval from the federal Centers for Medicare and Medicaid Services for the payment methodology to be utilized, and may not make any payment pursuant to this section prior to obtaining that approval.

(d) (1) It is the Legislature's intent in enacting this section to provide the supplemental reimbursement described in this section without any expenditure from the General Fund. An eligible provider, as a condition of receiving supplemental reimbursement pursuant to this section, shall enter into, and maintain, an agreement with the department for the purposes of implementing this section and reimbursing the department for the costs of administering this section.

(2) The nonfederal share of the supplemental reimbursement submitted to the federal Centers for Medicare and Medicaid Services for purposes of claiming federal financial participation shall be paid only with funds from the governmental entities described in paragraph (3) of subdivision (b) and certified to the state as provided in subdivision (e).

(e) Participation in the program by an eligible provider described in this section is voluntary. If an applicable governmental entity elects to seek supplemental reimbursement pursuant to this section on behalf of an eligible provider owned or operated by the entity, as described in paragraph (3) of subdivision (b), the governmental entity shall do all of the following:

(1) Certify, in conformity with the requirements of Section 433.51

of Title 42 of the Code of Federal Regulations, that the claimed expenditures for the ground emergency medical transportation services are eligible for federal financial participation. The governmental entity may elect to include, in collaboration with the department, and as the nonfederal share of expenditures for ground emergency medical transportation services, voluntary intergovernmental transfers (IGTs), as long as the IGTs are in conformity with federal law. If a governmental entity elects to include IGTs as the nonfederal share of expenditures, the IGT funds shall be submitted no later than November 1 of each year.

(2) Provide evidence supporting the certification as specified by the department.

(3) Submit data as specified by the department to determine the appropriate amounts to claim as expenditures qualifying for federal financial participation.

(4) Keep, maintain, and have readily retrievable, any records specified by the department to fully disclose reimbursement amounts to which the eligible provider is entitled, and any other records required by the federal Centers for Medicare and Medicaid Services.

(f) (1) The department shall promptly seek any necessary federal approvals for the implementation of this section. The department may limit the program to those costs that are allowable expenditures under Title XIX of the federal Social Security Act (42 U.S.C. Sec. 1396 et seq.). If federal approval is not obtained for implementation of this section, this section shall not be implemented.

(2) The department shall submit claims for federal financial participation for the expenditures for the services described in subdivision (e) that are allowable expenditures under federal law. If the state receives IGT funds as described in subdivision (e), the department shall certify the IGT funds as the nonfederal share of expenditures within 60 days of receiving the IGT funds. The ~~Controller shall transfer the federal financial participation received as a result of claims for expenditures using IGT funds to the department within 10 days of receiving the federal financial participation.~~ department shall submit to the Controller claims for payment within 10 days of receiving the federal financial participation.

(3) The department shall, on an annual basis, submit any necessary materials to the federal government to provide assurances that claims for federal financial participation will include only those expenditures that are allowable under federal law.

(g) (1) The department shall distribute supplemental reimbursement for eligible ground emergency medical transportation providers for services provided to Medi-Cal managed care beneficiaries to managed care plans within 30 days of receiving the federal financial participation.

(2) Each managed care plan shall, within 30 days of receiving funds under paragraph (1), distribute 100 percent of the funds received to the eligible ground emergency medical transportation providers in accordance with subdivision (c).

(h) (1) If either a final judicial determination is made by any court of appellate jurisdiction or a final determination is made by the administrator of the federal Centers for Medicare and Medicaid Services that the supplemental reimbursement provided for in this section must be made to any provider not described in this section, the director shall execute a declaration stating that the determination has been made and on that date this section shall become inoperative.

(2) The declaration executed pursuant to this subdivision shall be retained by the director, provided to the fiscal and appropriate

policy committees of the Legislature, the Secretary of State, the Secretary of the Senate, the Chief Clerk of the Assembly, and the Legislative Counsel, and posted on the department's Internet Web site.

(i) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement and administer this section by means of provider bulletins, or similar instructions, without taking regulatory action.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to capture federal financial participation at the earliest possible time and ensure access to ground emergency medical transportation for Medi-Cal beneficiaries, it is necessary that this act take effect immediately.