

Kentucky Ambulance Provider Assessment Program FAQs

Presentation

Q1: Will these slides be made available?

A1: Yes, the presentation slides for the Kentucky Ambulance Provider Assessment Program training on 3/25/21, along with a recording link, will be provided.

Program Details

Q2: Is approval expected by April 1, 2021?

A2: The 2021 State Plan Amendment received CMS approval on March 31, 2021. The 2021 Preprint received CMS approval on April 1, 2021.

Q3: In the event CMS approval is not obtained in the current, or future program year, will provider tax payments still be required?

A3: Per KRS 205.5602 Section 5(a)2, the provider tax assessment shall not take effect until the state plan or waiver amendment is approved by CMS.

Q4: How does this program affect non-profits?

A4: All Class I, II, or III ambulance providers as described in KRS 311A.030 must pay the tax at 5.5% of cash collections for emergency ground transports from all payors and will receive payment enhancements on eligible Medicaid fee-for-service (FFS) and Managed Care Organization (MCO) transports.

As an example, if a provider, such as volunteer agency, had \$0 revenue during the year and did not bill the Medicaid program for transports, there would be no tax collected and no enhancement paid.

Q5: How can a provider estimate annual cost and additional revenue expectations?

A5: To estimate the provider tax assessment, providers can utilize the revenues reported to DMS on the data collection survey (on the “Collections Data” tab of the Excel revenue survey, cell N21), and multiply those revenues by 5.5%.

To estimate the enhanced payment, providers can multiply the current estimated emergency per transport add-on of \$358.22 and non-emergency per transport add-on of \$88.01 (see slide 13 of the training), by the historical transport volume to estimate the financial benefit of the program for the provider.

Surveys

Q6: If Medicaid payments are a percentage of overall revenues, why is the additional detail needed on the survey?

A6: Commercial rate information is collected for an upper payment limit test to verify that the final payments received by providers are in compliance with federal expectations and federal limits. We also collect additional information such as the breakout of the payers and transport amounts so that we can do data validation to make sure that the provider submissions align with expectations for the Medicaid system as well.

Q7: What time period will be used for the 2021 payments?

A7: 7/1/2018 through 6/30/2019 revenue surveys will be utilized to calculate the tax assessments for the calendar year 2021 payment year.

7/1/2019 through 6/30/2020 surveys will be utilized to calculate the tax assessments for the calendar year 2022 program year.

The per-transport add-ons will be applied to current utilization within the program years.

Q8: What time frame should the 6/30/2020 GEMT surveys cover?

A8: Revenues received for the period of 7/1/2019 through 6/30/2020 will be used to set the tax for calendar year 2022. Revenue amounts should be cash collections for the state fiscal period.

Enhanced Payments

Q9: What is the explanation of an enhanced payment?

A9: Providers currently receive a customary amount based on fee schedules and mileage for GEMT services. Through the House Bill 8 (HB8) program, providers will receive monthly interim lump sum payments in addition to current Medicaid reimbursement (for FFS and MCO payments). Providers will receive the interim payments on a monthly basis based on historical transport volumes. After calendar year 2021 is complete, there will be a reconciliation to actual utilization.

Q10: The amounts used to determine the tax include all revenues from Medicaid, Medicare, and commercial insurance, but the enhancements are only received on the Medicaid transports, correct?

A10: Yes, it's a 5.5% tax of cash collections for emergency ground transports from all payors. The enhancements are only on Medicaid transports, which includes eligible Medicaid FFS and MCO transports.

Q11: Do claims qualify for enhanced payments if Medicaid is the secondary payor?

A11: Medicaid secondary would qualify as long as it's not secondary to Medicare. If there is a Medicare crossover claim or Medicare is the primary payor, Medicaid secondary would not qualify.

Tax Assessment

Q12: How will the tax be reported on a monthly basis?

A12: There will be a new form from the Department of Revenue (DOR) that will accompany the check that providers will submit. We are working with the DOR to develop a prepopulated form that will include the amount of tax owed. Then, providers will complete the remaining sections and return the form with the check to the DOR. This form will contain the account number, so it is separate from any normal tax requirement, such as withholding or unemployment.

Q13: In years going forward, will the tax increase because of the additional monies that are being received through the program?

A13: Yes. Historical revenues are being used, so it will take a few years to work through the process. For example, a state fiscal 2022 revenue survey will include additional Medicaid revenues received from the enhanced payments, which will be utilized to determine the calendar year 2024 tax assessment.