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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 196

01/09/2023 Authored by Huot, Baker and Zeleznikar
The bill was read for the first time and referred to the Committee on Health Finance and Policy

1.1 A bill for an act
1.2 relating to human services; providing a fuel adjustment for nonemergency medical
1.3 transportation and ambulance service reimbursement; amending Minnesota Statutes
1.4 2022, section 256B.0625, subdivisions 17, 17a, 18h.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2022, section 256B.0625, subdivision 17, is amended to
1.7 read:

1.8 Subd. 17. **Transportation costs.** (a) "Nonemergency medical transportation service"
1.9 means motor vehicle transportation provided by a public or private person that serves
1.10 Minnesota health care program beneficiaries who do not require emergency ambulance
1.11 service, as defined in section 144E.001, subdivision 3, to obtain covered medical services.

1.12 (b) Medical assistance covers medical transportation costs incurred solely for obtaining
1.13 emergency medical care or transportation costs incurred by eligible persons in obtaining
1.14 emergency or nonemergency medical care when paid directly to an ambulance company,
1.15 nonemergency medical transportation company, or other recognized providers of
1.16 transportation services. Medical transportation must be provided by:

1.17 (1) nonemergency medical transportation providers who meet the requirements of this
1.18 subdivision;

1.19 (2) ambulances, as defined in section 144E.001, subdivision 2;

1.20 (3) taxicabs that meet the requirements of this subdivision;

1.21 (4) public transit, as defined in section 174.22, subdivision 7; or

2.1 (5) not-for-hire vehicles, including volunteer drivers, as defined in section 65B.472,
2.2 subdivision 1, paragraph (h).

2.3 (c) Medical assistance covers nonemergency medical transportation provided by
2.4 nonemergency medical transportation providers enrolled in the Minnesota health care
2.5 programs. All nonemergency medical transportation providers must comply with the
2.6 operating standards for special transportation service as defined in sections 174.29 to 174.30
2.7 and Minnesota Rules, chapter 8840, and all drivers must be individually enrolled with the
2.8 commissioner and reported on the claim as the individual who provided the service. All
2.9 nonemergency medical transportation providers shall bill for nonemergency medical
2.10 transportation services in accordance with Minnesota health care programs criteria. Publicly
2.11 operated transit systems, volunteers, and not-for-hire vehicles are exempt from the
2.12 requirements outlined in this paragraph.

2.13 (d) An organization may be terminated, denied, or suspended from enrollment if:

2.14 (1) the provider has not initiated background studies on the individuals specified in
2.15 section 174.30, subdivision 10, paragraph (a), clauses (1) to (3); or

2.16 (2) the provider has initiated background studies on the individuals specified in section
2.17 174.30, subdivision 10, paragraph (a), clauses (1) to (3), and:

2.18 (i) the commissioner has sent the provider a notice that the individual has been
2.19 disqualified under section 245C.14; and

2.20 (ii) the individual has not received a disqualification set-aside specific to the special
2.21 transportation services provider under sections 245C.22 and 245C.23.

2.22 (e) The administrative agency of nonemergency medical transportation must:

2.23 (1) adhere to the policies defined by the commissioner;

2.24 (2) pay nonemergency medical transportation providers for services provided to
2.25 Minnesota health care programs beneficiaries to obtain covered medical services;

2.26 (3) provide data monthly to the commissioner on appeals, complaints, no-shows, canceled
2.27 trips, and number of trips by mode; and

2.28 (4) by July 1, 2016, in accordance with subdivision 18e, utilize a web-based single
2.29 administrative structure assessment tool that meets the technical requirements established
2.30 by the commissioner, reconciles trip information with claims being submitted by providers,
2.31 and ensures prompt payment for nonemergency medical transportation services.

3.1 (f) Until the commissioner implements the single administrative structure and delivery
3.2 system under subdivision 18e, clients shall obtain their level-of-service certificate from the
3.3 commissioner or an entity approved by the commissioner that does not dispatch rides for
3.4 clients using modes of transportation under paragraph (i), clauses (4), (5), (6), and (7).

3.5 (g) The commissioner may use an order by the recipient's attending physician, advanced
3.6 practice registered nurse, physician assistant, or a medical or mental health professional to
3.7 certify that the recipient requires nonemergency medical transportation services.

3.8 Nonemergency medical transportation providers shall perform driver-assisted services for
3.9 eligible individuals, when appropriate. Driver-assisted service includes passenger pickup
3.10 at and return to the individual's residence or place of business, assistance with admittance
3.11 of the individual to the medical facility, and assistance in passenger securement or in securing
3.12 of wheelchairs, child seats, or stretchers in the vehicle.

3.13 Nonemergency medical transportation providers must take clients to the health care
3.14 provider using the most direct route, and must not exceed 30 miles for a trip to a primary
3.15 care provider or 60 miles for a trip to a specialty care provider, unless the client receives
3.16 authorization from the local agency.

3.17 Nonemergency medical transportation providers may not bill for separate base rates for
3.18 the continuation of a trip beyond the original destination. Nonemergency medical
3.19 transportation providers must maintain trip logs, which include pickup and drop-off times,
3.20 signed by the medical provider or client, whichever is deemed most appropriate, attesting
3.21 to mileage traveled to obtain covered medical services. Clients requesting client mileage
3.22 reimbursement must sign the trip log attesting mileage traveled to obtain covered medical
3.23 services.

3.24 (h) The administrative agency shall use the level of service process established by the
3.25 commissioner to determine the client's most appropriate mode of transportation. If public
3.26 transit or a certified transportation provider is not available to provide the appropriate service
3.27 mode for the client, the client may receive a onetime service upgrade.

3.28 (i) The covered modes of transportation are:

3.29 (1) client reimbursement, which includes client mileage reimbursement provided to
3.30 clients who have their own transportation, or to family or an acquaintance who provides
3.31 transportation to the client;

3.32 (2) volunteer transport, which includes transportation by volunteers using their own
3.33 vehicle;

4.1 (3) unassisted transport, which includes transportation provided to a client by a taxicab
4.2 or public transit. If a taxicab or public transit is not available, the client can receive
4.3 transportation from another nonemergency medical transportation provider;

4.4 (4) assisted transport, which includes transport provided to clients who require assistance
4.5 by a nonemergency medical transportation provider;

4.6 (5) lift-equipped/ramp transport, which includes transport provided to a client who is
4.7 dependent on a device and requires a nonemergency medical transportation provider with
4.8 a vehicle containing a lift or ramp;

4.9 (6) protected transport, which includes transport provided to a client who has received
4.10 a prescreening that has deemed other forms of transportation inappropriate and who requires
4.11 a provider: (i) with a protected vehicle that is not an ambulance or police car and has safety
4.12 locks, a video recorder, and a transparent thermoplastic partition between the passenger and
4.13 the vehicle driver; and (ii) who is certified as a protected transport provider; and

4.14 (7) stretcher transport, which includes transport for a client in a prone or supine position
4.15 and requires a nonemergency medical transportation provider with a vehicle that can transport
4.16 a client in a prone or supine position.

4.17 (j) The local agency shall be the single administrative agency and shall administer and
4.18 reimburse for modes defined in paragraph (i) according to paragraphs (m) and (n) when the
4.19 commissioner has developed, made available, and funded the web-based single administrative
4.20 structure, assessment tool, and level of need assessment under subdivision 18e. The local
4.21 agency's financial obligation is limited to funds provided by the state or federal government.

4.22 (k) The commissioner shall:

4.23 (1) verify that the mode and use of nonemergency medical transportation is appropriate;

4.24 (2) verify that the client is going to an approved medical appointment; and

4.25 (3) investigate all complaints and appeals.

4.26 (l) The administrative agency shall pay for the services provided in this subdivision and
4.27 seek reimbursement from the commissioner, if appropriate. As vendors of medical care,
4.28 local agencies are subject to the provisions in section 256B.041, the sanctions and monetary
4.29 recovery actions in section 256B.064, and Minnesota Rules, parts 9505.2160 to 9505.2245.

4.30 (m) Payments for nonemergency medical transportation must be paid based on the client's
4.31 assessed mode under paragraph (h), not the type of vehicle used to provide the service. The
4.32 medical assistance reimbursement rates for nonemergency medical transportation services

5.1 that are payable by or on behalf of the commissioner for nonemergency medical
5.2 transportation services are:

5.3 (1) \$0.22 per mile for client reimbursement;

5.4 (2) up to 100 percent of the Internal Revenue Service business deduction rate for volunteer
5.5 transport;

5.6 (3) equivalent to the standard fare for unassisted transport when provided by public
5.7 transit, and \$11 for the base rate and \$1.30 per mile when provided by a nonemergency
5.8 medical transportation provider;

5.9 (4) \$13 for the base rate and \$1.30 per mile for assisted transport;

5.10 (5) \$18 for the base rate and \$1.55 per mile for lift-equipped/ramp transport;

5.11 (6) \$75 for the base rate and \$2.40 per mile for protected transport; and

5.12 (7) \$60 for the base rate and \$2.40 per mile for stretcher transport, and \$9 per trip for
5.13 an additional attendant if deemed medically necessary.

5.14 (n) The base rate for nonemergency medical transportation services in areas defined
5.15 under RUCA to be super rural is equal to 111.3 percent of the respective base rate in
5.16 paragraph (m), clauses (1) to (7). The mileage rate for nonemergency medical transportation
5.17 services in areas defined under RUCA to be rural or super rural areas is:

5.18 (1) for a trip equal to 17 miles or less, equal to 125 percent of the respective mileage
5.19 rate in paragraph (m), clauses (1) to (7); and

5.20 (2) for a trip between 18 and 50 miles, equal to 112.5 percent of the respective mileage
5.21 rate in paragraph (m), clauses (1) to (7).

5.22 (o) For purposes of reimbursement rates for nonemergency medical transportation
5.23 services under paragraphs (m) and (n), the zip code of the recipient's place of residence
5.24 shall determine whether the urban, rural, or super rural reimbursement rate applies.

5.25 (p) For purposes of this subdivision, "rural urban commuting area" or "RUCA" means
5.26 a census-tract based classification system under which a geographical area is determined
5.27 to be urban, rural, or super rural.

5.28 (q) The commissioner, when determining reimbursement rates for nonemergency medical
5.29 transportation under paragraphs (m) and (n), shall exempt all modes of transportation listed
5.30 under paragraph (i) from Minnesota Rules, part 9505.0445, item R, subitem (2).

6.1 (r) Effective for the first day of each calendar quarter in which the price of gasoline as
6.2 posted publicly by the United States Energy Information Administration exceeds \$3.00 per
6.3 gallon, the commissioner shall adjust the rate paid per mile in paragraph (m) by one percent
6.4 up or down for every increase or decrease of ten cents for the price of gasoline. The increase
6.5 or decrease must be calculated using a base gasoline price of \$3.00. The percentage increase
6.6 or decrease must be calculated using the average of the most recently available price of all
6.7 grades of gasoline for Minnesota as posted publicly by the United States Energy Information
6.8 Administration.

6.9 **EFFECTIVE DATE.** This section is effective July 1, 2023.

6.10 Sec. 2. Minnesota Statutes 2022, section 256B.0625, subdivision 17a, is amended to read:

6.11 Subd. 17a. **Payment for ambulance services.** (a) Medical assistance covers ambulance
6.12 services. Providers shall bill ambulance services according to Medicare criteria.
6.13 Nonemergency ambulance services shall not be paid as emergencies. Effective for services
6.14 rendered on or after July 1, 2001, medical assistance payments for ambulance services shall
6.15 be paid at the Medicare reimbursement rate or at the medical assistance payment rate in
6.16 effect on July 1, 2000, whichever is greater.

6.17 (b) Effective for services provided on or after July 1, 2016, medical assistance payment
6.18 rates for ambulance services identified in this paragraph are increased by five percent.
6.19 Capitation payments made to managed care plans and county-based purchasing plans for
6.20 ambulance services provided on or after January 1, 2017, shall be increased to reflect this
6.21 rate increase. The increased rate described in this paragraph applies to ambulance service
6.22 providers whose base of operations as defined in section 144E.10 is located:

6.23 (1) outside the metropolitan counties listed in section 473.121, subdivision 4, and outside
6.24 the cities of Duluth, Mankato, Moorhead, St. Cloud, and Rochester; or

6.25 (2) within a municipality with a population of less than 1,000.

6.26 (c) Effective for the first day of each calendar quarter in which the price of gasoline as
6.27 posted publicly by the United States Energy Information Administration exceeds \$3.00 per
6.28 gallon, the commissioner shall adjust the rate paid per mile in paragraphs (a) and (b) by one
6.29 percent up or down for every increase or decrease of ten cents for the price of gasoline. The
6.30 increase or decrease must be calculated using a base gasoline price of \$3.00. The percentage
6.31 increase or decrease must be calculated using the average of the most recently available
6.32 price of all grades of gasoline for Minnesota as posted publicly by the United States Energy
6.33 Information Administration.

7.1 **EFFECTIVE DATE.** This section is effective July 1, 2023.

7.2 Sec. 3. Minnesota Statutes 2022, section 256B.0625, subdivision 18h, is amended to read:

7.3 Subd. 18h. **Nonemergency medical transportation provisions related to managed**

7.4 **care.** (a) The following nonemergency medical transportation subdivisions apply to managed
7.5 care plans and county-based purchasing plans:

7.6 (1) subdivision 17, paragraphs (a), (b), (i), and (n);

7.7 (2) subdivision 18; and

7.8 (3) subdivision 18a.

7.9 (b) A nonemergency medical transportation provider must comply with the operating

7.10 standards for special transportation service specified in sections 174.29 to 174.30 and

7.11 Minnesota Rules, chapter 8840. Publicly operated transit systems, volunteers, and not-for-hire

7.12 vehicles are exempt from the requirements in this paragraph.

7.13 (c) Managed care and county-based purchasing plans must provide a fuel adjustment

7.14 for nonemergency medical transportation payment rates when the price of gasoline exceeds

7.15 \$3.00 per gallon.

7.16 **EFFECTIVE DATE.** This section is effective July 1, 2023.