

SENATE  
STATE OF MINNESOTA  
NINETY-SECOND SESSION

S.F. No. 3549

(SENATE AUTHORS: LANG)

DATE  
02/28/2022

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OFFICIAL STATUS  
Introduction and first reading  
Referred to Health and Human Services Finance and Policy

1.1 A bill for an act  
1.2 relating to human services; modifying payment rates for ambulance services;  
1.3 appropriating money; amending Minnesota Statutes 2020, section 256B.0625,  
1.4 subdivision 17a.

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

1.6 Section 1. Minnesota Statutes 2020, section 256B.0625, subdivision 17a, is amended to  
1.7 read:

1.8 Subd. 17a. **Payment for Ambulance services.** (a) Medical assistance covers ambulance  
1.9 services, including medically necessary ambulance services to transfer a patient between  
1.10 hospitals in order for a hospital to maintain its capacity to treat incoming patients.

1.11 (b) A hospital using ambulance services to transfer a patient to another facility to maintain  
1.12 the hospital's capacity must document its lack of capacity, the type of capacity created by  
1.13 the transfer, which receiving facility the hospital selected, why the hospital selected that  
1.14 receiving facility, and that the use of ambulance services to transfer the patient is medically  
1.15 necessary.

1.16 (c) Providers shall bill ambulance services according to Medicare criteria. Nonemergency  
1.17 ambulance services shall not be paid as emergencies. ~~Effective for services rendered on or~~  
1.18 ~~after July 1, 2001,~~ Medical assistance payments for ambulance services shall be paid at the  
1.19 Medicare reimbursement rate ~~or at the medical assistance payment rate in effect on July 1,~~  
1.20 ~~2000, whichever is greater.~~

1.21 ~~(b) Effective for services provided on or after July 1, 2016, (d) Medical assistance~~  
1.22 ~~payment rates for ambulance services identified in this paragraph are increased by five~~  
1.23 ~~percent. Capitation payments made to managed care plans and county-based purchasing~~

2.1 ~~plans for ambulance services provided on or after January 1, 2017, shall be increased to~~  
 2.2 ~~reflect this rate increase. The increased rate described in this paragraph applies to for~~  
 2.3 ambulance service providers whose base of operations as defined in section ~~144E.10 is~~  
 2.4 144E.001 are located:

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

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

2.8 (e) Managed care plans and county-based purchasing plans shall reimburse providers  
 2.9 at a level that is at least equal to the rate paid under fee-for-service. If, for any coverage  
 2.10 year, federal approval is not received for this paragraph, the commissioner shall adjust the  
 2.11 capitation rates paid to managed care plans and county-based purchasing plans for that  
 2.12 contract year to reflect the removal of this provision. Contracts between managed care plans  
 2.13 and county-based purchasing plans and providers to whom this paragraph applies must  
 2.14 allow recovery of payments from those providers if the commissioner adjusts capitation  
 2.15 rates in accordance with this paragraph. Payment recoveries must not exceed an amount  
 2.16 equal to any increase in rates that results from this paragraph. If, for any coverage year,  
 2.17 federal approval is not received for this paragraph, the commissioner shall not implement  
 2.18 this paragraph for subsequent coverage years, and this paragraph expires. The commissioner  
 2.19 shall inform the revisor of statutes if, for any coverage year, federal approval is not received  
 2.20 for this paragraph.

2.21 **EFFECTIVE DATE.** Paragraphs (a) to (d) are effective the day following final  
 2.22 enactment and apply to ambulance services provided on or after that date. Paragraph (e) is  
 2.23 effective upon federal approval. The commissioner of human services shall inform the  
 2.24 revisor of statutes when federal approval is obtained.

2.25 Sec. 2. **APPROPRIATION.**

2.26 \$31,500,000 in fiscal year 2022 is appropriated from the general fund to the Emergency  
 2.27 Medical Services Regulatory Board for lump sum payments to licensed ambulance services  
 2.28 in the amount of \$35,000 per in-service ambulance. This is a onetime appropriation. For  
 2.29 the purposes of this section, the definitions of Minnesota Statutes, chapter 144E, apply.

2.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.