

SENATE BILL NO. 60—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF THE CITY OF LAS VEGAS)

PREFILED NOVEMBER 17, 2016

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions governing Medicaid payments for ground emergency medical transportation services. (BDR 38-411)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to Medicaid; authorizing the Director of the Department of Health and Human Services to include in Medicaid managed care plans a voluntary program through which certain governmental entities and Indian tribes may obtain supplemental payments for providing ground emergency medical transportation services to recipients of Medicaid; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Federal law requires the Federal Government to pay to each state for which the
2 Federal Government has approved a State Plan for Medicaid a certain percentage of
3 the total amount expended as medical assistance under the State Plan. The states are
4 responsible for the remaining share of such expenditures. (42 U.S.C. § 1396b(a))
5 Federal law also allows certain governmental entities and federally recognized
6 Indian tribes to receive supplemental reimbursements in addition to the federal
7 payments discussed above for certain health care services, including ground
8 emergency medical transportation services, pursuant to a State Plan for Medicaid.
9 (42 U.S.C. §§ 1396a and 1396b; 42 C.F.R. §§ 433.50-433.74)

10 **Section 11** of this bill authorizes the Director of the Department of Health and
11 Human Services to develop a voluntary program to provide increased “capitation”
12 (per patient) payments to Medicaid managed care plans for ground emergency
13 medical transportation services which are provided by a governmental entity or
14 Indian tribe pursuant to a contract or other arrangement with such Medicaid
15 managed care plans. In order to participate in such a program, a governmental
16 entity, Indian tribe or managed care plan is required to enter into an agreement with



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17 the Department to comply with any request made by the Department to provide any
18 information or data necessary to claim federal money or obtain federal approval.
19 Such a program would require the governmental entity or Indian tribe to: (1) make
20 intergovernmental transfers of money to the Department in an amount
21 corresponding with the amount of money spent rendering ground emergency
22 medical transportation services; or (2) pay the nonfederal share of expenditures on
23 the program. The Department would then use that money and money from the
24 Federal Government to make increased capitation payments. **Section 11** also
25 provides that supplemental reimbursements and increased capitation payments will
26 be paid only to the extent approved by the Federal Government.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 422 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 11, inclusive, of this
3 act.

4 **Sec. 2.** *As used in sections 2 to 11, inclusive, of this act,*
5 *unless the context otherwise requires, the words and terms defined*
6 *in sections 3 to 9, inclusive, of this act have the meanings ascribed*
7 *to them in those sections.*

8 **Sec. 3.** *“Advanced emergency medical technician” has the*
9 *meaning ascribed to it in NRS 450B.025.*

10 **Sec. 4.** *“Ambulance” has the meaning ascribed to it in*
11 *NRS 450B.040.*

12 **Sec. 5.** *“Emergency medical technician” has the meaning*
13 *ascribed to it in NRS 450B.065.*

14 **Sec. 6.** *“Fire-fighting agency” has the meaning ascribed to it*
15 *in NRS 450B.072.*

16 **Sec. 7.** *“Governmental provider” means a provider of*
17 *ground emergency medical transportation services that is owned*
18 *or operated by a state or local governmental entity or federally*
19 *recognized Indian tribe.*

20 **Sec. 8.** *“Ground emergency medical transportation services”*
21 *means emergency medical transportation services provided by an*
22 *ambulance or a vehicle of a fire-fighting agency, including,*
23 *without limitation, services provided by emergency medical*
24 *technicians, advanced emergency medical technicians and*
25 *paramedics in prestabilizing patients and preparing patients for*
26 *transport.*

27 **Sec. 9.** *“Paramedic” has the meaning ascribed to it in*
28 *NRS 450B.095.*

29 **Sec. 10.** (Deleted by amendment.)

30 **Sec. 11.** *1. The Director may, in consultation with*
31 *governmental providers and Medicaid managed care plans,*
32 *develop a program to include in the managed care organization*



1 *rate certification for the Medicaid managed care plans increased*
2 *capitation payments to the Medicaid managed care plans for*
3 *ground emergency medical transportation services which are*
4 *provided by a governmental provider pursuant to a contract or*
5 *other arrangement between the governmental provider and a*
6 *Medicaid managed care plan. Participation in such a program by*
7 *a governmental provider is voluntary and, if a governmental*
8 *provider elects to participate in such a program, the governmental*
9 *provider must pay the nonfederal share of the expenditures on the*
10 *program.*

11 *2. If a program is established pursuant to this section, a*
12 *governmental provider or Medicaid managed care plan that*
13 *wishes to participate in the program must enter into an agreement*
14 *with the Department to comply with any request by the*
15 *Department for information or data necessary to claim federal*
16 *money or obtain federal approval in connection with the program.*

17 *3. In addition to complying with subsection 2, a governmental*
18 *provider that wishes to participate in a program established*
19 *pursuant to this section must:*

20 *(a) Hold a permit to operate an ambulance or a permit to*
21 *operate a vehicle of a fire-fighting agency at the scene of an*
22 *emergency issued pursuant to NRS 450B.200; and*

23 *(b) Provide ground emergency medical services to recipients of*
24 *Medicaid pursuant to a contract or other arrangement with a*
25 *Medicaid managed care plan.*

26 *4. If a program is established pursuant to this section, a*
27 *governmental provider that meets the requirements of subsections*
28 *2 and 3 and wishes to receive increased capitation payments must*
29 *make an intergovernmental transfer of money to the Department*
30 *in an amount corresponding with the amount that the*
31 *governmental provider has spent on ground emergency medical*
32 *transportation services or pay the nonfederal share of*
33 *expenditures on the program. To the extent that such money is*
34 *accepted from a governmental provider, the Department shall*
35 *make increased capitation payments to the applicable Medicaid*
36 *managed care plan. To the extent permissible under federal law,*
37 *the increased capitation payments must be in amounts actuarially*
38 *equivalent to or greater than the supplemental cost based*
39 *payments available under a program of supplemental*
40 *reimbursements for governmental providers who provide services*
41 *on a fee-for-service basis.*

42 *5. Except as otherwise provided in subsection 6, all money*
43 *associated with intergovernmental transfers or the nonfederal*
44 *share of expenditures made and accepted pursuant to subsection 4*
45 *must be used to make additional payments to governmental*



1 *providers under a program established pursuant to this section. A*
2 *Medicaid managed care plan shall pay all of any increased*
3 *capitation payments made pursuant to subsection 4 to a*
4 *governmental provider for ground emergency medical*
5 *transportation services pursuant to a contract or other*
6 *arrangement with the Medicaid managed care plan.*

7 *6. The Department may implement the program described in*
8 *this section only to the extent that the program is approved by the*
9 *Centers for Medicare and Medicaid Services and federal financial*
10 *participation is available. To the extent authorized by federal law,*
11 *the Department may implement the program for ground*
12 *emergency medical transportation services provided before the*
13 *effective date of this section.*

14 *7. If the Director determines that payments made under the*
15 *provisions of this section do not comply with federal requirements*
16 *relating to Medicaid, the Director may:*

17 *(a) Return or refuse to accept an intergovernmental transfer;*
18 *or*

19 *(b) Adjust any payment made under the provisions of this*
20 *section to comply with federal requirements relating to Medicaid.*

21 *8. As used in this section, "Medicaid managed care plan"*
22 *means a health maintenance organization that provides health*
23 *care services through managed care to recipients of Medicaid*
24 *under the State Plan for Medicaid.*

25 **Sec. 12.** NRS 232.320 is hereby amended to read as follows:

26 232.320 1. The Director:

27 (a) Shall appoint, with the consent of the Governor,
28 administrators of the divisions of the Department, who are
29 respectively designated as follows:

30 (1) The Administrator of the Aging and Disability Services
31 Division;

32 (2) The Administrator of the Division of Welfare and
33 Supportive Services;

34 (3) The Administrator of the Division of Child and Family
35 Services;

36 (4) The Administrator of the Division of Health Care
37 Financing and Policy; and

38 (5) The Administrator of the Division of Public and
39 Behavioral Health.

40 (b) Shall administer, through the divisions of the Department,
41 the provisions of chapters 63, 424, 425, 427A, 432A to 442,
42 inclusive, 446 to 450, inclusive, 458A and 656A of NRS, NRS
43 127.220 to 127.310, inclusive, 422.001 to 422.410, inclusive, *and*
44 *sections 2 to 11, inclusive, of this act*, 422.580, 432.010 to 432.133,
45 inclusive, 432B.621 to 432B.626, inclusive, 444.002 to 444.430,



1 inclusive, and 445A.010 to 445A.055, inclusive, and all other
2 provisions of law relating to the functions of the divisions of the
3 Department, but is not responsible for the clinical activities of the
4 Division of Public and Behavioral Health or the professional line
5 activities of the other divisions.

6 (c) Shall administer any state program for persons with
7 developmental disabilities established pursuant to the
8 Developmental Disabilities Assistance and Bill of Rights Act of
9 2000, 42 U.S.C. §§ 15001 et seq.

10 (d) Shall, after considering advice from agencies of local
11 governments and nonprofit organizations which provide social
12 services, adopt a master plan for the provision of human services in
13 this State. The Director shall revise the plan biennially and deliver a
14 copy of the plan to the Governor and the Legislature at the
15 beginning of each regular session. The plan must:

16 (1) Identify and assess the plans and programs of the
17 Department for the provision of human services, and any
18 duplication of those services by federal, state and local agencies;

19 (2) Set forth priorities for the provision of those services;

20 (3) Provide for communication and the coordination of those
21 services among nonprofit organizations, agencies of local
22 government, the State and the Federal Government;

23 (4) Identify the sources of funding for services provided by
24 the Department and the allocation of that funding;

25 (5) Set forth sufficient information to assist the Department
26 in providing those services and in the planning and budgeting for the
27 future provision of those services; and

28 (6) Contain any other information necessary for the
29 Department to communicate effectively with the Federal
30 Government concerning demographic trends, formulas for the
31 distribution of federal money and any need for the modification of
32 programs administered by the Department.

33 (e) May, by regulation, require nonprofit organizations and state
34 and local governmental agencies to provide information regarding
35 the programs of those organizations and agencies, excluding
36 detailed information relating to their budgets and payrolls, which the
37 Director deems necessary for the performance of the duties imposed
38 upon him or her pursuant to this section.

39 (f) Has such other powers and duties as are provided by law.

40 2. Notwithstanding any other provision of law, the Director, or
41 the Director's designee, is responsible for appointing and removing
42 subordinate officers and employees of the Department, other than
43 the State Public Defender of the Office of State Public Defender
44 who is appointed pursuant to NRS 180.010.



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1 **Sec. 13.** 1. This section becomes effective upon passage and
2 approval.
3 2. Sections 1 to 12, inclusive, of this act become effective upon
4 passage and approval for the purpose of performing any tasks
5 necessary to obtain the approval of the Centers for Medicare and
6 Medicaid Services for a program established pursuant to section 11
7 of this act.
8 3. For all other purposes:
9 (a) Sections 1 to 10, inclusive, and 12 of this act become
10 effective on the date on which a program to provide increased
11 capitation payments to governmental providers for ground
12 emergency medical transportation services established pursuant to
13 section 11 of this act is approved by the Centers for Medicare and
14 Medicaid Services; and
15 (b) Section 11 of this act becomes effective on the date that a
16 program to provide increased capitation payments to governmental
17 providers for ground emergency medical transportation services
18 established pursuant to that section is approved by the Centers for
19 Medicare and Medicaid Services.



