



January 27, 2022

**SUMMARY OF BILL:** Extends the “Ground Ambulance Service Provider Assessment Act” to June 30, 2023. Allows TennCare to use total transports submitted to the Office of Emergency Medical Services for calendar year 2021 for calculation of assessments if quarterly transport data is not adequately available.

**FISCAL IMPACT:**

**Increase State Revenue - \$10,419,100/FY22-23/  
Ambulance Service Assessment Revenue Fund**  
**Increase State Expenditures - \$10,419,100/FY22-23/  
Ambulance Service Assessment Revenue Fund**  
**Increase Federal Expenditures - \$20,300,600/FY22-23/  
Ambulance Service Assessment Revenue Fund**

Assumptions:

- Based on information provided by the Division of TennCare, the proposed legislation would result in a one-time increase of \$10,419,065 to the Ambulance Service Assessment Revenue Fund (ASARF) for FY22-23.
- It is estimated that \$75,000 will be expended for a TennCare administrative position, which will be paid in part by federal matching funds at a rate of 50 percent. The resulting increase in federal funds will be approximately \$37,500 ( $\$75,000 \times 50.0\%$ ) with a corresponding increase in state funds of \$37,500.
- It is estimated that \$80,000 will be expended for a grant for the Tennessee Ambulance Service Association (TASA) administrative support, which will be paid in part by federal matching funds at a rate of 50 percent. The resulting increase in federal funds will be approximately \$40,000 ( $\$80,000 \times 50.0\%$ ) with a corresponding increase in state funds of \$40,000.
- It is estimated that \$10,341,565 [ $\$10,419,065 - (\$37,500 + \$40,000)$ ] will be expended at a state rate of 33.835 percent and will receive federal matching funds at a rate of 66.165 percent. The resulting increase in federal funds will be approximately \$20,223,131 [ $(\$10,341,565 / 33.835\%) \times 66.165\%$ ].
- Total state expenditures will be \$10,419,065 ( $\$10,341,565 + \$37,500 + \$40,000$ ).
- Total federal expenditures will be \$20,300,631 ( $\$20,223,131 + \$37,500 + \$40,000$ ).
- The total increase to the ASARF will be approximately \$30,719,698 ( $\$10,419,065$  state +  $\$20,300,632$  federal) in FY22-23.

**IMPACT TO COMMERCE:**

**Increase Business Revenue - \$30,564,700/FY22-23**

**Increase Business Expenditures - \$30,564,700/FY22-23**

**Jobs Impact – Not Significant**

Assumptions:

- Ambulance providers will incur a one-time increase in business revenue of \$30,564,698 to cover costs of ground ambulance transport occurring in FY22-23.
- Ambulance service providers will incur a corresponding one-time increase in business expenditures of \$30,564,698 in FY22-23.
- The proposed legislation will not increase the number of ambulance service providers, it only extends the Ground Ambulance Service Provider Assessment Act until June 30, 2023. Therefore, any impact to jobs in Tennessee is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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