

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: SB 663

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☒ Substitute ☐ Enrolled

2. Patron: Stanley

3. Committee: -

4. Title: Telemedicine services; State plan for medical assistance services, provision for payment

5. Summary: The substitute bill requires the payment of medical assistance for appropriate and medically necessary emergency medical care rendered by emergency medical services (EMS) personnel in response to an emergency call to a recipient's home or the scene of an emergency involving the recipient when transportation to a hospital emergency department is not provided.

6. Budget Amendment Necessary: Yes, Item 304.

7. Fiscal Impact Estimates: Preliminary (See item 8)

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2023	\$401,335	General
	\$1,061,665	Nongeneral
2024	\$444,781	General
	\$1,180,479	Nongeneral
2025	\$453,677	General
	\$1,204,089	Nongeneral
2026	\$462,750	General
	\$1,228,170	Nongeneral
2027	\$472,005	General
	\$1,252,734	Nongeneral
2028	\$481,445	General
	\$1,277,788	Nongeneral
2029	\$491,074	General
	\$1,303,344	Nongeneral

8. Fiscal Implications: Currently, the Department of Medical Assistance Services (DMAS) does not pay for care rendered by EMS providers when there is no transportation provided. Therefore, this bill's requirement to cover such EMS services is expected to constitute a new medical assistance service and have a fiscal impact on DMAS.

Using published studies on emergency transportation, DMAS assumes that 15 percent of EMS responses do not result in transportation. Further, using FY 2021 claims data, DMAS

determined that were 72,352 annual claims for basic ground emergency transport. These include trips paid for Medicaid members enrolled in managed care and those in fee for service. As such, DMAS estimates that there are 85,120 basic EMS calls annually, of which 12,768 are not reimbursed by DMAS. Under the provisions of this bill, these EMS calls would be eligible for reimbursement as a new medical assistance service. For the purposes of this estimate, DMAS assumes that the reimbursement rate for the new service would be \$125. This cost is intentionally set below the basic life support vehicle fee of \$134.62. With a one month payment lag and with the outer years expecting two percent utilization growth, the cost of the new service would be \$1.5 million (\$0.4 million general fund) in FY 2023 and \$1.6 million (\$0.4 million general fund) in fiscal year 2024.

9. Specific Agency or Political Subdivisions Affected:

Department of Medical Assistance Services

10. Technical Amendment Necessary: No

11. Other Comments: None