

ESSB 6534 - H AMD 2174

By Representative Riccelli

ADOPTED 03/12/2020

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that the payments
4 to private emergency ambulance service providers for transports for
5 medicaid recipients have not been increased since 2004, resulting in
6 a loss for carriers who provide this service. This has resulted in
7 the shifting of cost of medicaid transports to other payers.

8 The purpose of this chapter is to provide for a quality assurance
9 fee for specified providers of emergency ambulance services as
10 referenced in 42 C.F.R. Sec. 433.56, which will be used to add on to
11 base funding from all other sources, thereby supporting additional
12 medicaid payments to nonpublic and nonfederal providers of emergency
13 ambulance services as specified in this chapter.

14 NEW SECTION. **Sec. 2.** The definitions in this section apply
15 throughout this chapter unless the context clearly requires
16 otherwise.

17 (1) "Aggregate fee schedule amount" means the product of the add-
18 on calculated pursuant to section 6(1) of this act multiplied by the
19 number of emergency ambulance transports for the state fiscal year.

20 (2) "Ambulance transport provider" means an ambulance transport
21 provider that is licensed under RCW 18.73.140 that bills and receives
22 patient care revenue from the provision of ground emergency ambulance
23 transports. "Ambulance transport provider" does not include a
24 provider that is owned or operated by the state, cities, counties,
25 fire protection districts, regional fire protection service
26 authorities, port districts, public hospital districts, community
27 services districts, health care districts, federally recognized
28 Indian tribes, or any unit of government as defined in 42 C.F.R. Sec.
29 433.50.

30 (3) "Annual quality assurance fee rate" means the quality
31 assurance fee per emergency ambulance transport during each

1 applicable state fiscal year assessed on each ambulance transport
2 provider.

3 (4) "Authority" means the Washington state health care authority.

4 (5) "Available fee amount" means the sum of the following:

5 (a) The amount deposited in the ambulance transport fund
6 established under section 3 of this act during the applicable state
7 fiscal year, less the amounts described in section 3(3)(a) of this
8 act; and

9 (b) Any federal financial participation obtained as a result of
10 the deposit of the amount described in this subsection, for the
11 applicable state fiscal year.

12 (6) "Effective state medical assistance percentage" means a ratio
13 of the aggregate expenditures from state-only sources for medicaid
14 divided by the aggregate expenditures from state and federal sources
15 for medicaid for a state fiscal year.

16 (7) "Emergency ambulance transport" means the act of transporting
17 an individual by use of an ambulance during which a client receives
18 needed emergency medical services en route to an appropriate medical
19 facility. "Emergency ambulance transport" does not include
20 transportation of beneficiaries by passenger cars, taxicabs, litter
21 vans, wheelchair vans, or other forms of public or private
22 conveyances, nor does it include transportation by an air ambulance
23 provider. An "emergency ambulance transport" does not occur when,
24 following evaluation of a patient, a transport is not provided.

25 (8) "Fee-for-service payment schedule" means the payment rates to
26 ambulance transport providers for emergency ambulance transports by
27 the authority without the inclusion of the add-on described in
28 section 6 of this act.

29 (9) "Gross receipts" means the total amount of payments received
30 as patient care revenue for emergency ambulance transports,
31 determined on a cash basis of accounting. "Gross receipts" includes
32 all payments received as patient care revenue for emergency ambulance
33 transports from medicaid, medicare, commercial insurance, and all
34 other payers as payment for services rendered.

35 (10) "Medicaid" means the medical assistance program and the
36 state children's health insurance program as established in Title XIX
37 and Title XXI of the social security act, respectively, and as
38 administered in the state of Washington by the authority.

39 (11) "Program" means the ambulance quality assurance fee program
40 established in this chapter.

1 NEW SECTION. **Sec. 3.** (1) A dedicated fund is hereby established
2 within the state treasury to be known as the ambulance transport
3 fund. The purpose and use of the fund shall be to receive and
4 disburse funds, together with accrued interest, in accordance with
5 this chapter. Moneys in the fund, including interest earned, shall
6 not be used or disbursed for any purposes other than those specified
7 in this chapter. Any amounts expended from the fund that are later
8 recouped by the authority on audit or otherwise shall be returned to
9 the fund. Moneys in the account may be spent only after
10 appropriation.

11 (2) The quality assurance fees collected by the authority
12 pursuant to section 5 of this act must be deposited in the ambulance
13 transport fund.

14 (3) The moneys in the ambulance transport fund, including any
15 interest and dividends earned on money in the fund, shall be
16 available exclusively for the following purposes in the following
17 order of priority:

18 (a) To provide funding in an amount not to exceed ten percent of
19 the annual quality assurance fee rate collection amount, exclusive of
20 any federal matching funds, for health care coverage for
21 Washingtonians and for the authority's staffing and administrative
22 costs directly attributable to administering this chapter; and

23 (b) To make increased payments to ambulance transport providers
24 pursuant to section 6 of this act.

25 NEW SECTION. **Sec. 4.** (1) Each ambulance transport provider must
26 report to the authority the number of emergency ambulance transports
27 by payer type and the annual gross receipts for the state fiscal year
28 ending June 30, 2020, pursuant to form and timing required by the
29 authority. The authority shall establish the timing for such
30 reporting to occur on or after August 15, 2020.

31 (2) Each ambulance transport provider must report to the
32 authority the number of emergency ambulance transports by payer type
33 for each state fiscal quarter commencing with the state fiscal
34 quarter ending September 30, 2020, pursuant to form and timing
35 required by the authority. The authority shall establish the timing
36 for such reporting to occur on or after the forty-fifth day after the
37 end of each applicable state fiscal quarter.

38 (3) Each ambulance transport provider must report to the
39 authority the annual gross receipts for each state fiscal year

1 commencing with the state fiscal year ending June 30, 2021, pursuant
2 to form and timing required by the authority. The authority shall
3 establish the timing for such reporting to occur on or after the
4 forty-fifth day after the end of each applicable state fiscal year.

5 (4) The authority may require a certification by each ambulance
6 transport provider under penalty of perjury of the truth of the
7 reports required under this section. Upon written notice to an
8 ambulance transport provider, the authority may impose a civil
9 penalty of one hundred dollars per day against an ambulance transport
10 provider for every day that an ambulance transport provider fails to
11 make a report required by this section within five days of the date
12 upon which the report was due. Any funds resulting from a penalty
13 imposed pursuant to this subsection shall be deposited in the
14 ambulance transport fund established in section 3 of this act.

15 NEW SECTION. **Sec. 5.** (1) Beginning July 1, 2021, and annually
16 thereafter, the authority shall assess each ambulance transport
17 provider a quality assurance fee. Each ambulance transport provider
18 must pay the quality assurance fee on a quarterly basis. The
19 quarterly quality assurance fee payment shall be based on the annual
20 quality assurance fee rate for the applicable state fiscal year
21 multiplied by the number of emergency ambulance transports provided
22 by the ambulance transport provider in the second quarter preceding
23 the state fiscal quarter for which the fee is assessed.

24 (2)(a) For the state fiscal year beginning July 1, 2021, the
25 annual quality assurance fee rate shall be calculated by multiplying
26 the projected total annual gross receipts for all ambulance transport
27 providers by five and one-half percent, which resulting product shall
28 be divided by the projected total annual emergency ambulance
29 transports by all ambulance transport providers for the state fiscal
30 year.

31 (b) For state fiscal years beginning July 1, 2022, and continuing
32 each state fiscal year thereafter, the quality assurance fee rate
33 shall be calculated by a ratio, the numerator of which shall be the
34 product of the projected aggregate fee schedule amount, and the
35 denominator of which shall be ninety percent of the projected total
36 annual emergency ambulance transports by all ambulance transport
37 providers.

38 (c) If, during a state fiscal year, the actual or projected
39 available fee amount exceeds or is less than the actual or projected

1 aggregate fee schedule amount by more than one percent, the authority
2 shall adjust the annual quality assurance fee rate so that the
3 available fee amount for the state fiscal year is approximately equal
4 to the aggregate fee schedule amount for the state fiscal year. The
5 available fee amount for a state fiscal year shall be considered to
6 equal the aggregate fee schedule amount for the state fiscal year if
7 the difference between the available fee amount for the state fiscal
8 year and the aggregate fee schedule amount for the state fiscal year
9 constitutes less than one percent of the aggregate fee schedule
10 amount for the state fiscal year.

11 (3) For each state fiscal year for which the quality assurance
12 fee is assessed, the authority shall send each ambulance transport
13 provider an assessment notice no later than thirty days prior to the
14 beginning of the applicable state fiscal quarter. For each state
15 fiscal quarter for which the quality assurance fee is assessed, the
16 authority shall send to each ambulance transport provider an invoice
17 of the quarterly quality assurance fee payment due for the quarter no
18 later than thirty days before the payment is due. For each state
19 fiscal quarter for which the quality assurance fee is assessed, the
20 ambulance transport provider shall remit payment to the authority by
21 the date established by the authority, which shall be no earlier than
22 fifteen days after the beginning of the applicable state fiscal
23 quarter.

24 (4) (a) Interest shall be assessed on quality assurance fees not
25 paid on the date due at the rate and in the manner provided in RCW
26 43.20B.695. Interest shall be deposited in the ambulance transport
27 fund established in section 3 of this act.

28 (b) In the event that any fee payment is more than sixty days
29 overdue, the authority may deduct the unpaid fee and interest owed
30 from any medicaid reimbursement payments owed to the ambulance
31 transport provider until the full amount of the fee, interest, and
32 any penalties assessed under this chapter are recovered. Any
33 deduction made pursuant to this subsection shall be made only after
34 the authority gives the ambulance transport provider written
35 notification. Any deduction made pursuant to this subsection may be
36 deducted over a period of time that takes into account the financial
37 condition of the ambulance transport provider.

38 (c) In the event that any fee payment is more than sixty days
39 overdue, a penalty equal to the interest charge described in (a) of
40 this subsection shall be assessed and due for each month for which

1 the payment is not received after sixty days. Any funds resulting
2 from a penalty imposed pursuant to this subsection shall be deposited
3 into the ambulance transport fund established in section 3 of this
4 act.

5 (d) The authority may waive a portion or all of either the
6 interest or penalties, or both, assessed under this chapter in the
7 event the authority determines, in its sole discretion, that the
8 ambulance transport provider has demonstrated that imposition of the
9 full amount of the quality assurance fee pursuant to the timelines
10 applicable under this chapter has a high likelihood of creating an
11 undue financial hardship for the provider. Waiver of some or all of
12 the interest or penalties pursuant to this subsection shall be
13 conditioned on the ambulance transport provider's agreement to make
14 fee payments on an alternative schedule developed by the authority.

15 (5) The authority shall accept an ambulance transport provider's
16 payment even if the payment is submitted in a rate year subsequent to
17 the rate year in which the fee was assessed.

18 (6) In the event of a merger, acquisition, or similar transaction
19 involving an ambulance transport provider that has outstanding
20 quality assurance fee payment obligations pursuant to this chapter,
21 including any interest and penalty amounts owed, the resultant or
22 successor ambulance transport provider shall be responsible for
23 paying to the authority the full amount of outstanding quality
24 assurance fee payments, including any applicable interest and
25 penalties, attributable to the ambulance transport provider for which
26 it was assessed, upon the effective date of such transaction. An
27 entity considering a merger, acquisition, or similar transaction
28 involving an ambulance transport provider may submit a request to the
29 authority to ascertain the outstanding quality assurance fee payment
30 obligations of the ambulance transport provider pursuant to this
31 chapter as of the date of the authority's response to that request.

32 NEW SECTION. **Sec. 6.** (1) Beginning July 1, 2021, and for each
33 state fiscal year thereafter, reimbursement for emergency ambulance
34 transports provided by ambulance transport providers shall be
35 increased by application of an add-on to the associated medicaid fee-
36 for-service payment schedule. The add-on increase to the fee-for-
37 service payment schedule under this section shall be calculated by
38 June 15, 2021, and shall remain the same for later state fiscal
39 years, to the extent the authority determines federal financial

1 participation is available. The authority shall calculate the
2 projections required by this subsection based on the number of
3 emergency ambulance transports and gross revenue data submitted
4 pursuant to section 4 of this act. The fee-for-service add-on shall
5 be equal to the quotient of the available fee amount projected by the
6 authority on or before June 15, 2021, for the 2021-22 state fiscal
7 year, divided by the total medicaid emergency ambulance transports,
8 projected by the authority on or before June 15, 2021, for the 2021-
9 22 state fiscal year. The resulting fee-for-service payment schedule
10 amounts after the application of this section shall be equal to the
11 sum of the medicaid fee-for-service payment schedule amount and the
12 add-on increase.

13 (2) The increased payments required by this section shall be
14 funded solely from the following:

15 (a) The quality assurance fee set forth in section 5 of this act,
16 along with any interest or other investment income earned on those
17 funds; and

18 (b) Federal reimbursement and any other related federal funds.

19 (3) The proceeds of the quality assurance fee set forth in
20 section 5 of this act, the matching amount provided by the federal
21 government, and any interest earned on those proceeds shall be used
22 to supplement, and not to supplant, existing funding for emergency
23 ambulance transports provided by ambulance transport providers.

24 (4) Notwithstanding any provision of this chapter, the authority
25 may seek federal approval to implement any add-on increase to the
26 fee-for-service payment schedule pursuant to this section for any
27 state fiscal year or years, as applicable, on a time-limited basis
28 for a fixed program period, as determined by the authority.

29 NEW SECTION. **Sec. 7.** The authority may adopt rules to implement
30 this chapter.

31 NEW SECTION. **Sec. 8.** (1)(a) The authority shall request any
32 approval from the federal centers for medicare and medicaid services
33 it determines are necessary for the use of fees pursuant to this
34 chapter and for the purpose of receiving associated federal matching
35 funds.

36 (b) This chapter shall be implemented only to the extent that any
37 necessary federal approvals are obtained and federal financial
38 participation is available. The quality assurance fee pursuant to

1 section 5 of this act shall only be assessed and collected for
2 quarters in which the add-on pursuant to section 6 of this act is
3 paid.

4 (2) The authority may modify or make adjustments to any
5 methodology, fee amount, or other provision specified in this chapter
6 to the minimum extent necessary to meet the requirements of federal
7 law or regulations or to obtain federal approval. If the authority,
8 after consulting with ambulance transport providers, determines that
9 a modification is needed, the authority shall execute a declaration
10 stating that this determination has been made and that the actual or
11 projected available fee amount for a state fiscal year remains
12 approximately equal to the actual or projected aggregate fee schedule
13 amount for each applicable state fiscal year, as defined by section
14 5(2)(c) of this act. The authority shall retain the declaration and
15 provide a copy, within ten working days of the execution of the
16 declaration, to the appropriate fiscal and policy committees of the
17 legislature.

18 NEW SECTION. **Sec. 9.** If there is a delay in the implementation
19 of this chapter for any reason, including a delay in any required
20 approval of the quality assurance fee and reimbursement methodology
21 specified by the federal centers for medicare and medicaid services,
22 the following shall apply:

23 (1) An ambulance transport provider may be assessed the amount
24 the provider would be required to pay to the authority if the add-on
25 increase to the fee-for-service payment schedule described in section
26 5(2)(c) of this act were already approved, but shall not be required
27 to pay the fee until the add-on increase to the fee-for-service
28 payment schedule described in section 6 of this act is approved. The
29 authority shall establish a schedule for payment of retroactive fees
30 pursuant to this subsection in consultation with ambulance transport
31 providers to minimize the disruption to the cash flow of ambulance
32 transport providers.

33 (2) The authority may retroactively implement the add-on increase
34 to the fee-for-service payment schedule pursuant to section 6 of this
35 act to the extent the authority determines that federal financial
36 participation is available.

37 NEW SECTION. **Sec. 10.** (1) The assessment, collection, and
38 disbursement of funds under this chapter shall be conditional upon:

1 (a) The federal centers for medicare and medicaid services not
2 determining that the quality assurance fee revenues may not be used
3 for the purposes set forth in this chapter;

4 (b) The state not reducing its fee-for-service payment schedule
5 for emergency ambulance transports provided by ambulance transport
6 providers;

7 (c) The state not delegating responsibility to pay for emergency
8 ambulance transports to a managed care organization, prepaid
9 inpatient health plan, or prepaid ambulatory health plan, as those
10 terms are defined in 42 C.F.R. Sec. 438.2;

11 (d) Federal financial participation being available and not
12 otherwise jeopardized;

13 (e) The program not prohibiting, diminishing, or harming the
14 ground emergency medical transportation services reimbursement
15 program described in RCW 41.05.730; and

16 (f) Consistent with section 6(3) of this act, the state
17 continuing its maintenance of effort for the level of state funding
18 not derived from the quality assurance fee of emergency ambulance
19 transports reimbursement for the 2021-22 rate year, and for each
20 applicable rate year thereafter, in an amount not less than the
21 amount that the state would have paid for the same number of
22 emergency ambulance transports under the rate methodology that was in
23 effect on July 1, 2019.

24 (2) This chapter ceases to be operative on the first day of the
25 state fiscal year beginning on or after the date one or more of the
26 following conditions is satisfied:

27 (a) The federal centers for medicare and medicaid services no
28 longer allows the collection or use of the ambulance transport
29 provider assessment provided in this chapter;

30 (b) The increase to the medicaid payments described in section 6
31 of this act no longer remains in effect;

32 (c) The quality assurance fee assessed and collected pursuant to
33 this chapter is no longer available for the purposes specified in
34 this chapter;

35 (d) A final judicial determination made by any state or federal
36 court that is not appealed, or by a court of appellate jurisdiction
37 that is not further appealed, in any action by any party, or a final
38 determination by the administrator of the federal centers for
39 medicare and medicaid services that is not appealed, that federal

1 financial participation is not available with respect to any payment
2 made under the methodology implemented pursuant to this chapter;

3 (e) The state reduces its fee-for-service payment schedule for
4 emergency ambulance transports provided by ambulance transport
5 providers;

6 (f) The state delegates responsibility to pay for emergency
7 ambulance transports to a managed care organization, prepaid
8 inpatient health plan, or prepaid ambulatory health plan, as those
9 terms are defined in 42 C.F.R. Sec. 438.2; and

10 (g) The program not prohibiting, diminishing, or harming the
11 ground emergency medical transportation services reimbursement
12 program described in RCW 41.05.730.

13 (3) In the event one or more of the conditions listed in
14 subsection (2) of this section is satisfied, the authority shall
15 notify, in writing and as soon as practicable, the secretary of
16 state, the secretary of the senate, the chief clerk of the house of
17 representatives, the appropriate fiscal and policy committees of the
18 legislature, and the code reviser's office of the condition and the
19 approximate date or dates that it occurred. The authority shall post
20 the notice on the authority's web site.

21 (4)(a) Notwithstanding any other law, in the event this chapter
22 becomes inoperative pursuant to subsection (2) of this section, the
23 authority shall be authorized to conduct all appropriate close-out
24 activities and implement applicable provisions of this chapter for
25 prior state fiscal years during which this chapter was operative
26 including, but not limited to, the collection of outstanding quality
27 assurance fees pursuant to section 5 of this act and payments
28 associated with any add-on increase to the medicaid fee-for-service
29 payment schedule pursuant to section 6 of this act. In implementing
30 these close-out activities, the authority shall ensure that the
31 actual or projected available fee amount for each applicable state
32 fiscal year remains approximately equal to the aggregate fee schedule
33 amount for the state fiscal year, as defined by section 5(2)(c) of
34 this act. During this close-out period, the full amount of the
35 quality assurance fee assessed and collected remains available only
36 for the purposes specified in this chapter.

37 (b) Upon a determination by the authority that all appropriate
38 close-out and implementation activities pursuant to (a) of this
39 subsection have been completed, the authority shall notify, in
40 writing, the secretary of state, the secretary of the senate, the

1 chief clerk of the house of representatives, the appropriate fiscal
2 and policy committees of the legislature, and the code reviser's
3 office of that determination. This chapter shall expire as of the
4 effective date of the notification issued by the authority pursuant
5 to this subsection.

6 **Sec. 11.** RCW 43.84.092 and 2019 c 421 s 15, 2019 c 403 s 14,
7 2019 c 365 s 19, 2019 c 287 s 19, and 2019 c 95 s 6 are each
8 reenacted and amended to read as follows:

9 (1) All earnings of investments of surplus balances in the state
10 treasury shall be deposited to the treasury income account, which
11 account is hereby established in the state treasury.

12 (2) The treasury income account shall be utilized to pay or
13 receive funds associated with federal programs as required by the
14 federal cash management improvement act of 1990. The treasury income
15 account is subject in all respects to chapter 43.88 RCW, but no
16 appropriation is required for refunds or allocations of interest
17 earnings required by the cash management improvement act. Refunds of
18 interest to the federal treasury required under the cash management
19 improvement act fall under RCW 43.88.180 and shall not require
20 appropriation. The office of financial management shall determine the
21 amounts due to or from the federal government pursuant to the cash
22 management improvement act. The office of financial management may
23 direct transfers of funds between accounts as deemed necessary to
24 implement the provisions of the cash management improvement act, and
25 this subsection. Refunds or allocations shall occur prior to the
26 distributions of earnings set forth in subsection (4) of this
27 section.

28 (3) Except for the provisions of RCW 43.84.160, the treasury
29 income account may be utilized for the payment of purchased banking
30 services on behalf of treasury funds including, but not limited to,
31 depository, safekeeping, and disbursement functions for the state
32 treasury and affected state agencies. The treasury income account is
33 subject in all respects to chapter 43.88 RCW, but no appropriation is
34 required for payments to financial institutions. Payments shall occur
35 prior to distribution of earnings set forth in subsection (4) of this
36 section.

37 (4) Monthly, the state treasurer shall distribute the earnings
38 credited to the treasury income account. The state treasurer shall

1 credit the general fund with all the earnings credited to the
2 treasury income account except:

3 (a) The following accounts and funds shall receive their
4 proportionate share of earnings based upon each account's and fund's
5 average daily balance for the period: The abandoned recreational
6 vehicle disposal account, the aeronautics account, the aircraft
7 search and rescue account, the Alaskan Way viaduct replacement
8 project account, the ambulance transport fund, the brownfield
9 redevelopment trust fund account, the budget stabilization account,
10 the capital vessel replacement account, the capitol building
11 construction account, the Cedar River channel construction and
12 operation account, the Central Washington University capital projects
13 account, the charitable, educational, penal and reformatory
14 institutions account, the Chehalis basin account, the cleanup
15 settlement account, the Columbia river basin water supply development
16 account, the Columbia river basin taxable bond water supply
17 development account, the Columbia river basin water supply revenue
18 recovery account, the common school construction fund, the community
19 forest trust account, the connecting Washington account, the county
20 arterial preservation account, the county criminal justice assistance
21 account, the deferred compensation administrative account, the
22 deferred compensation principal account, the department of licensing
23 services account, the department of licensing tuition recovery trust
24 fund, the department of retirement systems expense account, the
25 developmental disabilities community trust account, the diesel idle
26 reduction account, the drinking water assistance account, the
27 drinking water assistance administrative account, the early learning
28 facilities development account, the early learning facilities
29 revolving account, the Eastern Washington University capital projects
30 account, the education construction fund, the education legacy trust
31 account, the election account, the electric vehicle account, the
32 energy freedom account, the energy recovery act account, the
33 essential rail assistance account, The Evergreen State College
34 capital projects account, the federal forest revolving account, the
35 ferry bond retirement fund, the freight mobility investment account,
36 the freight mobility multimodal account, the grade crossing
37 protective fund, the public health services account, the state higher
38 education construction account, the higher education construction
39 account, the highway bond retirement fund, the highway infrastructure
40 account, the highway safety fund, the hospital safety net assessment

1 fund, the industrial insurance premium refund account, the Interstate
2 405 and state route number 167 express toll lanes account, the
3 judges' retirement account, the judicial retirement administrative
4 account, the judicial retirement principal account, the local
5 leasehold excise tax account, the local real estate excise tax
6 account, the local sales and use tax account, the marine resources
7 stewardship trust account, the medical aid account, the mobile home
8 park relocation fund, the money-purchase retirement savings
9 administrative account, the money-purchase retirement savings
10 principal account, the motor vehicle fund, the motorcycle safety
11 education account, the multimodal transportation account, the
12 multiuse roadway safety account, the municipal criminal justice
13 assistance account, the natural resources deposit account, the oyster
14 reserve land account, the pension funding stabilization account, the
15 perpetual surveillance and maintenance account, the pollution
16 liability insurance agency underground storage tank revolving
17 account, the public employees' retirement system plan 1 account, the
18 public employees' retirement system combined plan 2 and plan 3
19 account, the public facilities construction loan revolving account
20 beginning July 1, 2004, the public health supplemental account, the
21 public works assistance account, the Puget Sound capital construction
22 account, the Puget Sound ferry operations account, the Puget Sound
23 Gateway facility account, the Puget Sound taxpayer accountability
24 account, the real estate appraiser commission account, the
25 recreational vehicle account, the regional mobility grant program
26 account, the resource management cost account, the rural arterial
27 trust account, the rural mobility grant program account, the rural
28 Washington loan fund, the sexual assault prevention and response
29 account, the site closure account, the skilled nursing facility
30 safety net trust fund, the small city pavement and sidewalk account,
31 the special category C account, the special wildlife account, the
32 state employees' insurance account, the state employees' insurance
33 reserve account, the state investment board expense account, the
34 state investment board commingled trust fund accounts, the state
35 patrol highway account, the state route number 520 civil penalties
36 account, the state route number 520 corridor account, the state
37 wildlife account, the statewide broadband account, the statewide
38 tourism marketing account, the student achievement council tuition
39 recovery trust fund, the supplemental pension account, the Tacoma
40 Narrows toll bridge account, the teachers' retirement system plan 1

1 account, the teachers' retirement system combined plan 2 and plan 3
2 account, the tobacco prevention and control account, the tobacco
3 settlement account, the toll facility bond retirement account, the
4 transportation 2003 account (nickel account), the transportation
5 equipment fund, the transportation future funding program account,
6 the transportation improvement account, the transportation
7 improvement board bond retirement account, the transportation
8 infrastructure account, the transportation partnership account, the
9 traumatic brain injury account, the tuition recovery trust fund, the
10 University of Washington bond retirement fund, the University of
11 Washington building account, the voluntary cleanup account, the
12 volunteer firefighters' and reserve officers' relief and pension
13 principal fund, the volunteer firefighters' and reserve officers'
14 administrative fund, the vulnerable roadway user education account,
15 the Washington judicial retirement system account, the Washington law
16 enforcement officers' and firefighters' system plan 1 retirement
17 account, the Washington law enforcement officers' and firefighters'
18 system plan 2 retirement account, the Washington public safety
19 employees' plan 2 retirement account, the Washington school
20 employees' retirement system combined plan 2 and 3 account, the
21 Washington state health insurance pool account, the Washington state
22 patrol retirement account, the Washington State University building
23 account, the Washington State University bond retirement fund, the
24 water pollution control revolving administration account, the water
25 pollution control revolving fund, the Western Washington University
26 capital projects account, the Yakima integrated plan implementation
27 account, the Yakima integrated plan implementation revenue recovery
28 account, and the Yakima integrated plan implementation taxable bond
29 account. Earnings derived from investing balances of the agricultural
30 permanent fund, the normal school permanent fund, the permanent
31 common school fund, the scientific permanent fund, the state
32 university permanent fund, and the state reclamation revolving
33 account shall be allocated to their respective beneficiary accounts.

34 (b) Any state agency that has independent authority over accounts
35 or funds not statutorily required to be held in the state treasury
36 that deposits funds into a fund or account in the state treasury
37 pursuant to an agreement with the office of the state treasurer shall
38 receive its proportionate share of earnings based upon each account's
39 or fund's average daily balance for the period.

1 (5) In conformance with Article II, section 37 of the state
2 Constitution, no treasury accounts or funds shall be allocated
3 earnings without the specific affirmative directive of this section.

4 NEW SECTION. **Sec. 12.** Sections 1 through 10 and 13 of this act
5 constitute a new chapter in Title 74 RCW.

6 NEW SECTION. **Sec. 13.** This act expires July 1, 2024.

7 NEW SECTION. **Sec. 14.** This act is necessary for the immediate
8 preservation of the public peace, health, or safety, or support of
9 the state government and its existing public institutions, and takes
10 effect immediately."

11 Correct the title.

EFFECT: (1) Modifies the intent section.

(2) Redefines "aggregate fee schedule amount" and "ambulance transport provider." Clarifies that "ambulance transport provider" refers specifically to ground emergency ambulance transport providers.

(3) Limits the allowable uses for the quality assurance fees so that: (a) Ten percent of the annual quality assurance fee collection amount may be used for state health care coverage and for the Health Care Authority's staffing and administrative costs to implement the act; and (b) the remaining annual quality assurance fee revenues be used for an add-on payment to ambulance transport providers. Removes the use of funding to refund erroneous or excessive payments made by hospitals. Removes the requirement that one-third of the fees collected be used in lieu of state general fund payments for Medicaid emergency ambulance services.

(4) Sets the quality assurance fee rate calculation at a ratio where the numerator is the product of the projected aggregate fee schedule amount, and the denominator is ninety percent of the projected total annual emergency ambulance transports by all ambulance transport providers. Requires the HCA to ensure that the actual or projected available fee amount for each applicable state fiscal year remains approximately equal to the aggregate fee schedule amount for the state fiscal year.

(5) Modifies the add-on to the associated Medicaid fee-for-service payment schedule by removing the requirement that the total reimbursement, including the program add-on, be at least sixty percent of the statewide average Medicare rate of an emergency ambulance transport or similar service, and instead requires the HCA to base the calculation on the number of emergency ambulance transports and gross revenue data submitted. Requires the fee-for-service add-on to be equal to the quotient of the available fee amount projected by the HCA on or before June 15, 2021, for the 2021-22 state fiscal year, divided by the total Medicaid emergency ambulance transports projected by the authority on or before June 15, 2021, for the 2020-21 state fiscal year. Requires that the resulting fee-for-service payment schedule amounts be equal to the sum of the

Medicaid fee-for-service payment schedule amount and the add-on increase.

(6) Further conditions the assessment, collection, and disbursement of funds on the state continuing its maintenance of effort for the level of state funding not derived from the quality assurance fee of emergency medical transports reimbursement for the 2021-22 rate year, and for each applicable rate year thereafter, in an amount not less than the amount that the state would have paid for the same number of emergency medical transports under the rate methodology that was in effect on July 1, 2019.

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