Legislation Text

File #: 22-989, **Version:** 1

Resolution approving budget amendment BA23.038 to the Fire Department FY 2022-23 Operating Budget in the amount of $436,964.65 and allow the City to participate in the California Assembly Bill 1705 (2019) Public Provider Ground Emergency Medical Transport Intergovernmental Transfer (PP-GEMT-IGT) Program

WHEREAS, the South San Francisco Fire Department intends to participate in the California Assembly Bill 1705 (2019) and the Public Provider Ground Emergency Medical Transport Intergovernmental Transfer (PP-GEMT-IGT) Program; and

WHEREAS, for most of the 21st Century, special interest groups in California have been promoting legislation that would create payment reform as it relates to ambulance transportation and the 2011 passage of Assembly Bill 678 (AB678) led to the Ground Emergency Medical Transport (GEMT) program, a source of revenue that has provided the City over $2,326,000 in additional revenue to cover specific transportation costs since its inception; and

WHEREAS, the GEMT program is limited to public entities and the purpose is to evaluate costs associated with providing care and transportation to a specific type of Medicaid patient and provide a federal subsidy to reduce the impact of the service to local government's general funds; and

WHEREAS, a participating agency must be a public entity and complete and file a comprehensive annual cost report the California Department of Healthcare Services (DHCS); DHCS evaluates the cost report from each participating agency and creates an average transport cost for California Medicaid patients; and

WHEREAS, through AB 678, the State developed a Supplemental Reimbursement Program pursuant to the California Welfare and Institutions Code Section 14105.94 and State Plan Amendments 09-024 qualifying DHCS to receive matching funds from Centers for Medicare and Medicaid Services (CMS) creating an Intergovernmental Transfer (IGT) for an averaged emergency transport cost; and DHCS receives these federally matched funds and distributes funds based on average transport cost and number of qualifying transports to participating agencies; and

WHEREAS, with the approval of SB 523 in 2017-18, a mandatory Quality Assurance Fee (QAF) is assessed on each completed ambulance transport by both public and private providers; These funds are then transferred to CMS through an IGT like the AB678 plan, and then redistributed back to ambulance providers based upon the number of qualifying Medicaid ambulance transports completed; and

WHEREAS, SB 523 created a gap in the funds being distributed between public and private providers and public ambulance and fire service leaders desired a program that was specific to public agencies as private ambulance providers make up a large percentage of transports and sharing pooled public and private funds reduced reimbursements to public agencies; and

WHEREAS, Assembly Bill 1705 (AB1705), Public Provider Intergovernmental Transfer Program (PP-GEMT-IGT), excludes private providers was approved and chaptered in 2019 under the Welfare and Institutions Code; and

WHEREAS, AB1705 supersedes SB 523 only while it is in existence; Should AB 1705 fail or become otherwise repealed, all public providers will be rolled back in to the SB 523 program; and

WHEREAS, AB 1705 replaces and eliminates AB 678, so the original GEMT program that the City appreciated for greater than a decade will sunset with the 2022 Calendar Year; and

WHEREAS, participation in AB 1705 is voluntary while it is operable, but as stated, should the program be eliminated all providers would again be required to participate in SB 523; The cost of participation in AB 1705 was released as a State Medicaid Plan Amendment (SPA22-0015); and

WHEREAS, on November 16, 2022, DHCS provided calculations, Managed Care Estimated CY 2023 Net Benefit Calculation (Exhibit A), to the South San Francisco Fire Department with the City's shared cost of $744,598 the program for managed care transports including a 10 percent administrative fee; a second e-mail was received (exhibit B) stating that an additional $49,883.18, plus the 10% administrative fee would also be due for transports under the fee for service category for a total participation amount of $873,929; and

WHEREAS, staff believes this program will net $470,000 additional funds annually for transport services and recommends participation in the PP-GEMT-IGT program; DHCS calculates cost on a calendar year basis and collects this fee quarterly, starting on January 15, 2023; and

WHEREAS, approval of budget amendment 23.038 in the amount of $436,964.50, equal to half the DHCS proposed participation payment for the 2023 calendar year; The remainder plus the first two quarters of calendar year 2024 will be request in the next budget cycle.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of South San Francisco that the City of South San Francisco hereby:

1. Approves budget amendment BA23.038 to the Fire Department FY2022-23 Operating Budget in the amount of $436,964.50.

2. Authorizes the City to participate in the California Assembly Bill 1705 (2019) Public Provider Ground Emergency Medical Transport Intergovernmental Transfer (PP-GEMT-IGT) Program.

3. Authorizes the City Manager or his designee to take any action consistent with the intent of this resolution, including but not limited to the execution of any agreements necessary to participate in the PP-GEMT-IGT Program, subject to approval as to form by the City Attorney.

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