

HB2577



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2577

Introduced 2/15/2023, by Rep. Jay Hoffman

SYNOPSIS AS INTRODUCED:

305 ILCS 5/5-4.2

Amends the Medical Assistance Article of the Illinois Public Aid Code. In a provision concerning reimbursement rates for ambulance services, provides that ambulance services includes medical transportation services provided by means of air ambulance. Provides that on and after July 1, 2023, the Department of Healthcare and Family Services shall increase the base rate of reimbursement for both base charges and mileage charges for medical transportation services provided by means of an air ambulance to a level not lower than 75% of the Medicare ambulance fee schedule rates, by designated Medicare locality, in effect on January 1, 2023. Effective July 1, 2023.

LRB103 29817 KTG 56225 b

A BILL FOR

1 AN ACT concerning public aid.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Public Aid Code is amended by
5 changing Section 5-4.2 as follows:

6 (305 ILCS 5/5-4.2)

7 Sec. 5-4.2. Ambulance services payments.

8 (a) For ambulance services provided to a recipient of aid
9 under this Article on or after January 1, 1993, the Illinois
10 Department shall reimburse ambulance service providers at
11 rates calculated in accordance with this Section. It is the
12 intent of the General Assembly to provide adequate
13 reimbursement for ambulance services so as to ensure adequate
14 access to services for recipients of aid under this Article
15 and to provide appropriate incentives to ambulance service
16 providers to provide services in an efficient and
17 cost-effective manner. Thus, it is the intent of the General
18 Assembly that the Illinois Department implement a
19 reimbursement system for ambulance services that, to the
20 extent practicable and subject to the availability of funds
21 appropriated by the General Assembly for this purpose, is
22 consistent with the payment principles of Medicare. To ensure
23 uniformity between the payment principles of Medicare and

1 Medicaid, the Illinois Department shall follow, to the extent
2 necessary and practicable and subject to the availability of
3 funds appropriated by the General Assembly for this purpose,
4 the statutes, laws, regulations, policies, procedures,
5 principles, definitions, guidelines, and manuals used to
6 determine the amounts paid to ambulance service providers
7 under Title XVIII of the Social Security Act (Medicare).

8 (b) For ambulance services provided to a recipient of aid
9 under this Article on or after January 1, 1996, the Illinois
10 Department shall reimburse ambulance service providers based
11 upon the actual distance traveled if a natural disaster,
12 weather conditions, road repairs, or traffic congestion
13 necessitates the use of a route other than the most direct
14 route.

15 (c) For purposes of this Section, "ambulance services"
16 includes medical transportation services provided by means of
17 an ambulance, air ambulance, medi-car, service car, or taxi.

18 (c-1) For purposes of this Section, "ground ambulance
19 service" means medical transportation services that are
20 described as ground ambulance services by the Centers for
21 Medicare and Medicaid Services and provided in a vehicle that
22 is licensed as an ambulance by the Illinois Department of
23 Public Health pursuant to the Emergency Medical Services (EMS)
24 Systems Act.

25 (c-2) For purposes of this Section, "ground ambulance
26 service provider" means a vehicle service provider as

1 described in the Emergency Medical Services (EMS) Systems Act
2 that operates licensed ambulances for the purpose of providing
3 emergency ambulance services, or non-emergency ambulance
4 services, or both. For purposes of this Section, this includes
5 both ambulance providers and ambulance suppliers as described
6 by the Centers for Medicare and Medicaid Services.

7 (c-3) For purposes of this Section, "medi-car" means
8 transportation services provided to a patient who is confined
9 to a wheelchair and requires the use of a hydraulic or electric
10 lift or ramp and wheelchair lockdown when the patient's
11 condition does not require medical observation, medical
12 supervision, medical equipment, the administration of
13 medications, or the administration of oxygen.

14 (c-4) For purposes of this Section, "service car" means
15 transportation services provided to a patient by a passenger
16 vehicle where that patient does not require the specialized
17 modes described in subsection (c-1) or (c-3).

18 (c-5) For purposes of this Section, "air ambulance
19 service" means medical transport by helicopter or airplane for
20 patients, as defined in 29 U.S.C. 1185f(c)(1), and any service
21 that is described as an air ambulance service by the federal
22 Centers for Medicare and Medicaid Services.

23 (d) This Section does not prohibit separate billing by
24 ambulance service providers for oxygen furnished while
25 providing advanced life support services.

26 (e) Beginning with services rendered on or after July 1,

1 2008, all providers of non-emergency medi-car and service car
2 transportation must certify that the driver and employee
3 attendant, as applicable, have completed a safety program
4 approved by the Department to protect both the patient and the
5 driver, prior to transporting a patient. The provider must
6 maintain this certification in its records. The provider shall
7 produce such documentation upon demand by the Department or
8 its representative. Failure to produce documentation of such
9 training shall result in recovery of any payments made by the
10 Department for services rendered by a non-certified driver or
11 employee attendant. Medi-car and service car providers must
12 maintain legible documentation in their records of the driver
13 and, as applicable, employee attendant that actually
14 transported the patient. Providers must recertify all drivers
15 and employee attendants every 3 years. If they meet the
16 established training components set forth by the Department,
17 providers of non-emergency medi-car and service car
18 transportation that are either directly or through an
19 affiliated company licensed by the Department of Public Health
20 shall be approved by the Department to have in-house safety
21 programs for training their own staff.

22 Notwithstanding the requirements above, any public
23 transportation provider of medi-car and service car
24 transportation that receives federal funding under 49 U.S.C.
25 5307 and 5311 need not certify its drivers and employee
26 attendants under this Section, since safety training is

1 already federally mandated.

2 (f) With respect to any policy or program administered by
3 the Department or its agent regarding approval of
4 non-emergency medical transportation by ground ambulance
5 service providers, including, but not limited to, the
6 Non-Emergency Transportation Services Prior Approval Program
7 (NETSPAP), the Department shall establish by rule a process by
8 which ground ambulance service providers of non-emergency
9 medical transportation may appeal any decision by the
10 Department or its agent for which no denial was received prior
11 to the time of transport that either (i) denies a request for
12 approval for payment of non-emergency transportation by means
13 of ground ambulance service or (ii) grants a request for
14 approval of non-emergency transportation by means of ground
15 ambulance service at a level of service that entitles the
16 ground ambulance service provider to a lower level of
17 compensation from the Department than the ground ambulance
18 service provider would have received as compensation for the
19 level of service requested. The rule shall be filed by
20 December 15, 2012 and shall provide that, for any decision
21 rendered by the Department or its agent on or after the date
22 the rule takes effect, the ground ambulance service provider
23 shall have 60 days from the date the decision is received to
24 file an appeal. The rule established by the Department shall
25 be, insofar as is practical, consistent with the Illinois
26 Administrative Procedure Act. The Director's decision on an

1 appeal under this Section shall be a final administrative
2 decision subject to review under the Administrative Review
3 Law.

4 (f-5) Beginning 90 days after July 20, 2012 (the effective
5 date of Public Act 97-842), (i) no denial of a request for
6 approval for payment of non-emergency transportation by means
7 of ground ambulance service, and (ii) no approval of
8 non-emergency transportation by means of ground ambulance
9 service at a level of service that entitles the ground
10 ambulance service provider to a lower level of compensation
11 from the Department than would have been received at the level
12 of service submitted by the ground ambulance service provider,
13 may be issued by the Department or its agent unless the
14 Department has submitted the criteria for determining the
15 appropriateness of the transport for first notice publication
16 in the Illinois Register pursuant to Section 5-40 of the
17 Illinois Administrative Procedure Act.

18 (f-6) Within 90 days after the effective date of this
19 amendatory Act of the 102nd General Assembly and subject to
20 federal approval, the Department shall file rules to allow for
21 the approval of ground ambulance services when the sole
22 purpose of the transport is for the navigation of stairs or the
23 assisting or lifting of a patient at a medical facility or
24 during a medical appointment in instances where the Department
25 or a contracted Medicaid managed care organization or their
26 transportation broker is unable to secure transportation

1 through any other transportation provider.

2 (f-7) For non-emergency ground ambulance claims properly
3 denied under Department policy at the time the claim is filed
4 due to failure to submit a valid Medical Certification for
5 Non-Emergency Ambulance on and after December 15, 2012 and
6 prior to January 1, 2021, the Department shall allot
7 \$2,000,000 to a pool to reimburse such claims if the provider
8 proves medical necessity for the service by other means.
9 Providers must submit any such denied claims for which they
10 seek compensation to the Department no later than December 31,
11 2021 along with documentation of medical necessity. No later
12 than May 31, 2022, the Department shall determine for which
13 claims medical necessity was established. Such claims for
14 which medical necessity was established shall be paid at the
15 rate in effect at the time of the service, provided the
16 \$2,000,000 is sufficient to pay at those rates. If the pool is
17 not sufficient, claims shall be paid at a uniform percentage
18 of the applicable rate such that the pool of \$2,000,000 is
19 exhausted. The appeal process described in subsection (f)
20 shall not be applicable to the Department's determinations
21 made in accordance with this subsection.

22 (g) Whenever a patient covered by a medical assistance
23 program under this Code or by another medical program
24 administered by the Department, including a patient covered
25 under the State's Medicaid managed care program, is being
26 transported from a facility and requires non-emergency

1 transportation including ground ambulance, medi-car, or
2 service car transportation, a Physician Certification
3 Statement as described in this Section shall be required for
4 each patient. Facilities shall develop procedures for a
5 licensed medical professional to provide a written and signed
6 Physician Certification Statement. The Physician Certification
7 Statement shall specify the level of transportation services
8 needed and complete a medical certification establishing the
9 criteria for approval of non-emergency ambulance
10 transportation, as published by the Department of Healthcare
11 and Family Services, that is met by the patient. This
12 certification shall be completed prior to ordering the
13 transportation service and prior to patient discharge. The
14 Physician Certification Statement is not required prior to
15 transport if a delay in transport can be expected to
16 negatively affect the patient outcome. If the ground ambulance
17 provider, medi-car provider, or service car provider is unable
18 to obtain the required Physician Certification Statement
19 within 10 calendar days following the date of the service, the
20 ground ambulance provider, medi-car provider, or service car
21 provider must document its attempt to obtain the requested
22 certification and may then submit the claim for payment.
23 Acceptable documentation includes a signed return receipt from
24 the U.S. Postal Service, facsimile receipt, email receipt, or
25 other similar service that evidences that the ground ambulance
26 provider, medi-car provider, or service car provider attempted

1 to obtain the required Physician Certification Statement.

2 The medical certification specifying the level and type of
3 non-emergency transportation needed shall be in the form of
4 the Physician Certification Statement on a standardized form
5 prescribed by the Department of Healthcare and Family
6 Services. Within 75 days after July 27, 2018 (the effective
7 date of Public Act 100-646), the Department of Healthcare and
8 Family Services shall develop a standardized form of the
9 Physician Certification Statement specifying the level and
10 type of transportation services needed in consultation with
11 the Department of Public Health, Medicaid managed care
12 organizations, a statewide association representing ambulance
13 providers, a statewide association representing hospitals, 3
14 statewide associations representing nursing homes, and other
15 stakeholders. The Physician Certification Statement shall
16 include, but is not limited to, the criteria necessary to
17 demonstrate medical necessity for the level of transport
18 needed as required by (i) the Department of Healthcare and
19 Family Services and (ii) the federal Centers for Medicare and
20 Medicaid Services as outlined in the Centers for Medicare and
21 Medicaid Services' Medicare Benefit Policy Manual, Pub.
22 100-02, Chap. 10, Sec. 10.2.1, et seq. The use of the Physician
23 Certification Statement shall satisfy the obligations of
24 hospitals under Section 6.22 of the Hospital Licensing Act and
25 nursing homes under Section 2-217 of the Nursing Home Care
26 Act. Implementation and acceptance of the Physician

1 Certification Statement shall take place no later than 90 days
2 after the issuance of the Physician Certification Statement by
3 the Department of Healthcare and Family Services.

4 Pursuant to subsection (E) of Section 12-4.25 of this
5 Code, the Department is entitled to recover overpayments paid
6 to a provider or vendor, including, but not limited to, from
7 the discharging physician, the discharging facility, and the
8 ground ambulance service provider, in instances where a
9 non-emergency ground ambulance service is rendered as the
10 result of improper or false certification.

11 Beginning October 1, 2018, the Department of Healthcare
12 and Family Services shall collect data from Medicaid managed
13 care organizations and transportation brokers, including the
14 Department's NETSPAP broker, regarding denials and appeals
15 related to the missing or incomplete Physician Certification
16 Statement forms and overall compliance with this subsection.
17 The Department of Healthcare and Family Services shall publish
18 quarterly results on its website within 15 days following the
19 end of each quarter.

20 (h) On and after July 1, 2012, the Department shall reduce
21 any rate of reimbursement for services or other payments or
22 alter any methodologies authorized by this Code to reduce any
23 rate of reimbursement for services or other payments in
24 accordance with Section 5-5e.

25 (i) On and after July 1, 2018, the Department shall
26 increase the base rate of reimbursement for both base charges

1 and mileage charges for ground ambulance service providers for
2 medical transportation services provided by means of a ground
3 ambulance to a level not lower than 112% of the base rate in
4 effect as of June 30, 2018.

5 (j) On and after July 1, 2023, the Department shall
6 increase the base rate of reimbursement for both base charges
7 and mileage charges for medical transportation services
8 provided by means of an air ambulance to a level not lower than
9 75% of the Medicare ambulance fee schedule rates, by
10 designated Medicare locality, in effect on January 1, 2023.

11 (Source: P.A. 101-81, eff. 7-12-19; 101-649, eff. 7-7-20;
12 102-364, eff. 1-1-22; 102-650, eff. 8-27-21; 102-813, eff.
13 5-13-22; 102-1037, eff. 6-2-22.)

14 Section 99. Effective date. This Act takes effect July 1,
15 2023.