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Intergovernmental Relations Division

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To: Members of the Finance & Personnel Committee

From: Jordan Primakow, DOA – Intergovernmental Relations

cc: Comptroller's Office, Budget Office, Milwaukee Fire Department

Date: 10/12/2022

Re: State Implementation of 2021 WI Act 228 – GEMT Program

Background

The State Legislature, in a response to continuing calls from the Fire and EMS communities statewide, introduced and passed bi-partisan legislation to help direct additional Federal Medicaid reimbursement funds to both municipal EMS departments as well as private ambulance companies. The final act, signed by Gov. Evers became [2021 Wisconsin Act 228](#). The City of Milwaukee Intergovernmental relations team, on the advice of the Milwaukee Fire Department, and support from the Mayor's office and Common Council, lobbied in favor of the legislation passage in the legislature, as well as for its signature by the Governor. Please see the attached State Legislative Council Memo for more details of the legislation.

Below, I will outline the discussions IRD has held with the State Department of Health Services (DHS) regarding the implementation timeline for both the public certified public expenditure reimbursement program, and private ambulance reimbursement program.

Certified Public Expenditures

This half of the program will be easier for DHS to implement, and it does not require any additional legislative action or funding. This is also the half of the program that will have a direct, positive fiscal impact for City, as we will be allowed to submit certain certified expenditures for reimbursement. The State is currently looking to hire a consulting firm to assist in implementing this program. They will alert IRD once the consultant has been hired and would like to meet with MFD/EMS at that point in time to discuss details of the program. The good news about this program, is their goal is to have the program active by the end of the 1st quarter of 2023 (3/31/23). If it is active by that time, it will allow for MFD to submit reimbursements retroactively to 1/1/23. DHS stated that they need to file a state plan amendment with the Federal Medicaid Department this December, but it is unknown how quickly the Federal government will respond to it. That will impact when DHS can send out reimbursements for CPEs, but their goal is still to retroactively accept them from the start of the year. As far as a timeline for the City, we should be able to have CPEs covered as of the start of the year, but we may not receive the actual disbursements until the middle or end of the year.

Private Ambulance Reimbursement

This half of the program will take longer for DHS to implement, mainly due to the fact that DHS needs to return to either the Joint Finance Committee or for the next state biennial budget, to obtain administrative cost approvals for the program. DHS has confirmed that they will be looking to hire a consulting firm to set up and help DHS run the program. This should eventually assist in expediting the program, but again they will have to wait for legislative approval/funding to hire the consulting firm or hire additional internal staff to run the program. It is unlikely that the state Joint Finance Committee will meet again prior to the next legislative session. Therefore, the funding will likely be placed into the next state bi-annual budget to hire additional staff or a consulting firm to get the private ambulance reimbursement program up and running. This likely means the earliest DHS can obtain the funding to begin the implementation process would be July 1st, 2023, or whenever the State biennial budget is passed. This then means the program implementation would likely not be implemented until the 4th quarter of 2023 or 1st quarter 2024.

It is also important to note that while this half of the law will not directly impact city finances, it should provide an additional funding stream for the remaining private ambulance providers that service the City. This may then serve to lessen the financial support the City is currently providing the private ambulance providers in the City.

Implementation Timeline

Please note, these timelines are based upon IRDs discussions with DHS and based upon their best estimates. The State DHS will still need approval from the Federal Medicaid department, which could delay implementation and is outside of the State's control.

Certified Public Expenditures – DHS goal is to have the program up and running by the end of the 1st quarter of 2023, which will allow MFD to claim reimbursements to the start of the year 2023. If this timeline is kept, the expectation would be that the City would see disbursements of funds for reimbursements in the summer or fall of 2023.

Private Ambulance Reimbursement – DHS needs to obtain additional legislative funding to support this aspect of the program, through either a consulting firm, or the hiring of additional FTEs within DHS. At this point in time, the likelihood is that this funding will be included in the next State biennial budget, which will likely be approved in July, 2023. Therefore, the program will likely not be up and running until 4th quarter of 2023, or the first half of 2024.

Fiscal Impacts

Unfortunately, as much as everyone would love to place a precise or even rough estimate of budgetary impact of these programs, at this time, there are far too many unknown variables of how the Federal Medicaid approvals will develop, or how DHS will operate each of these reimbursement programs. IRD and MFD will continue to remain engaged with DHS and provide any assistance we can to help them facilitate these programs. At this time, until DHS is much closer to implementation of each program, we are unable to make even a rough estimate of what financial impact they will have on City finances.