

LEGISLATURE OF NEBRASKA  
ONE HUNDRED EIGHTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1100**

Introduced by McDonnell, 5.

Read first time January 09, 2024

Committee:

1 A BILL FOR AN ACT relating to the Medical Assistance Act; to amend  
2 sections 44-32,180, 44-4726, 68-978, 68-979, 68-981, 68-982, 68-983,  
3 68-985, 68-986, 68-987, 68-988, and 71-8506, Reissue Revised  
4 Statutes of Nebraska; to define and eliminate terms; to change  
5 references to the intergovernmental transfer program and capitation  
6 payments and provide for a certified public expenditure program; to  
7 change department duties and powers as prescribed; to decrease an  
8 administration fee; to update federal references; to change a  
9 provision relating to managed care contracts; to harmonize  
10 provisions; to repeal the original sections; and to declare an  
11 emergency.  
12 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 44-32,180, Reissue Revised Statutes of Nebraska,  
2 is amended to read:

3 44-32,180 (1) Any health maintenance organization subject to the  
4 Health Maintenance Organization Act shall also be subject to (a) the  
5 premium taxation provisions of Chapter 77, article 9, to the extent that  
6 the direct writing premiums are not otherwise subject to taxation under  
7 such article and (b) the retaliatory taxation provisions of section  
8 44-150.

9 (2) Any expenditure ~~capitation payment~~ made in accordance with the  
10 Medical Assistance Act shall be excluded from computation of any tax  
11 obligation imposed by subsection (1) of this section.

12 Sec. 2. Section 44-4726, Reissue Revised Statutes of Nebraska, is  
13 amended to read:

14 44-4726 (1) The same taxes provided for in section 44-32,180 shall  
15 be imposed upon each prepaid limited health service organization, and  
16 such organizations also shall be entitled to the same tax deductions,  
17 reductions, abatements, and credits that health maintenance organizations  
18 are entitled to receive.

19 (2) Any expenditure ~~capitation payment~~ made in accordance with the  
20 Medical Assistance Act shall be excluded from computation of any tax  
21 obligation imposed by subsection (1) of this section.

22 Sec. 3. Section 68-978, Reissue Revised Statutes of Nebraska, is  
23 amended to read:

24 68-978 For purposes of the Ground Emergency Medical Transport Act:

25 (1) Advanced life support means special services designed to provide  
26 definitive prehospital emergency medical care, including, but not limited  
27 to, cardiopulmonary resuscitation, cardiac monitoring, cardiac  
28 defibrillation, advanced airway management, intravenous therapy,  
29 administration with drugs and other medicinal preparations, and other  
30 specified techniques and procedures;

31 (2) Basic life support means emergency first aid and cardiopulmonary

1 resuscitation procedures to maintain life without invasive techniques;

2 (3) Certified public expenditure means an expenditure for which  
3 there is certification that public funds for services provided have been  
4 expended as necessary for federal financial participation pursuant to the  
5 requirements of section 1903(w) of the federal Social Security Act and 42  
6 C.F.R. 433.51, as such act and regulation existed on January 1, 2024 (3)

7 ~~Capitation payment means a payment the state makes periodically to a~~  
8 ~~contractor on behalf of each beneficiary enrolled under a contract and~~  
9 ~~based on the actuarially sound capitation rate for the provision of~~  
10 ~~services under the state plan and which the state makes regardless of~~  
11 ~~whether the particular beneficiary receives services during the period~~  
12 ~~covered by the payment;~~

13 (4) Dry run means ground emergency medical transport services  
14 provided by an eligible ground emergency medical transport services  
15 provider to an individual who is released on the scene without  
16 transportation by ambulance to a medical facility;

17 (5) Ground emergency medical transport means the act of transporting  
18 an individual from any point of origin to the nearest medical facility  
19 capable of meeting the emergency medical needs of the patient, including  
20 dry runs;

21 (6) Ground emergency medical transport services means advanced life  
22 support, limited advanced life support, and basic life support services  
23 provided to an individual by ground emergency medical transport services  
24 providers before or during ground emergency medical transport;

25 (7) Limited advanced life support means special services to provide  
26 prehospital emergency medical care limited to techniques and procedures  
27 that exceed basic life support but are less than advanced life support  
28 services; and

29 (8) Medical transport means transportation to secure medical  
30 examinations and treatment for an individual.

31 Sec. 4. Section 68-979, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 68-979 It is the intent of the Legislature that no General Funds be  
3 used in carrying out the Ground Emergency Medical Transport Act.

4 Revenue from the certified public expenditure intergovernmental  
5 ~~transfer~~ program created under the Ground Emergency Medical Transport Act  
6 shall be deposited into the Health and Human Services Cash Fund.

7 Sec. 5. Section 68-981, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 68-981 Participation in the supplemental reimbursement program by an  
10 eligible provider is voluntary. A provider is eligible for supplemental  
11 reimbursement only if the provider has all of the following  
12 characteristics continuously during a fiscal year of the state:

13 (1) Provides ground emergency medical transport services to medicaid  
14 beneficiaries;

15 (2) Is enrolled as a medicaid provider for the period being claimed;

16 (3) Is owned or operated by the state or a city, county, rural or  
17 suburban fire protection district, hospital district, federally  
18 recognized Indian tribe, or another unit of government; and

19 (4) Participates in the certified public expenditure  
20 ~~intergovernmental transfer~~ program created pursuant to section 68-983.

21 Sec. 6. Section 68-982, Reissue Revised Statutes of Nebraska, is  
22 amended to read:

23 68-982 (1) An eligible provider's supplemental reimbursement  
24 pursuant to the Ground Emergency Medical Transport Act shall be  
25 calculated and paid as follows:

26 (a) The supplemental reimbursement shall equal the amount of federal  
27 financial participation received as a result of the claims submitted  
28 pursuant to the act; and

29 (b) In no instance may the amount certified pursuant to section  
30 68-985, when combined with the amount received from all other sources of  
31 reimbursement from the medical assistance program, exceed one hundred

1 percent of actual costs, as determined pursuant to the medicaid state  
2 plan, for ground emergency medical transport services.

3 (2) The supplemental reimbursement shall be distributed exclusively  
4 to eligible providers under a payment method based on ground emergency  
5 medical transport services provided to medicaid beneficiaries by eligible  
6 providers on the a per-transport basis of actual and allowable costs that  
7 are or other federally permissible basis.

8 Sec. 7. Section 68-983, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10 68-983 (1) The department shall design and implement, in  
11 consultation with eligible providers as described in section 68-981, a  
12 certified public expenditure ~~an intergovernmental transfer~~ program  
13 relating to medicaid managed care ground emergency medical transport  
14 services, including services provided by emergency medical technicians at  
15 the basic, advanced, and paramedic levels in prestabilization and  
16 preparation for transport, in order to increase certified public  
17 expenditures ~~capitation payments~~ for the purpose of increasing  
18 reimbursement to eligible providers.

19 (2) Effective on the approval date of a state plan amendment  
20 pursuant to section 68-986, expenditures for medicaid ground emergency  
21 medical transport services made by the department shall be paid on a fee-  
22 for-service basis and may not be paid under any medicaid managed care  
23 program ~~(2)(a) To the extent intergovernmental transfers are voluntarily~~  
24 ~~made by, and accepted from, an eligible provider described in section~~  
25 ~~68-981 or a governmental entity affiliated with an eligible provider, the~~  
26 ~~department shall make increased capitation payments to applicable~~  
27 ~~medicaid managed care plans.~~

28 ~~(b) The increased capitation payments made pursuant to this section~~  
29 ~~shall be in actuarially determined amounts at least to the extent~~  
30 ~~permissible under federal law.~~

31 ~~(c) Except as provided in subsection (6) of this section, all funds~~

1 ~~associated with intergovernmental transfers made and accepted pursuant to~~  
2 ~~this section shall be used to fund additional payments to medicaid~~  
3 ~~managed care plans.~~

4 ~~(d) Medicaid managed care plans shall enter into contracts or~~  
5 ~~contract amendments with providers for the disbursement of any amount of~~  
6 ~~increased capitation payments made pursuant to this section.~~

7 (3) The certified public expenditure intergovernmental transfer  
8 program developed pursuant to this section shall be implemented on the  
9 date federal approval is obtained and only to the extent certified public  
10 expenditures intergovernmental transfers from the eligible provider or  
11 the governmental entity with which it is affiliated are provided for this  
12 purpose.

13 (4) To the extent permitted by federal law, the department may  
14 implement the certified public expenditure intergovernmental transfer  
15 program and increased certified public expenditures capitation payments  
16 pursuant to this section retroactive to the date that the state plan  
17 amendment is submitted to the Centers for Medicare and Medicaid Services  
18 of the United States Department of Health and Human Services pursuant to  
19 section 68-986.

20 (5) Participation in certified public expenditures intergovernmental  
21 ~~transfers~~ under this section is voluntary on the part of the  
22 participating transferring entities for purposes of all applicable  
23 federal laws.

24 (6)(a) As a condition of participation under this section, each  
25 eligible provider or the governmental entity affiliated with an eligible  
26 provider shall agree to reimburse the department for any costs associated  
27 with implementing such program.

28 (b) Certified public expenditures Intergovernmental transfers  
29 described in this section are subject to a twenty percent administration  
30 fee of the nonfederal share paid to the department and are allowed to  
31 count as a cost of providing the services.

1 (7) As a condition of participation under this section, ~~Medicaid~~  
2 ~~managed care plans,~~ eligible providers, and governmental entities  
3 affiliated with eligible providers shall agree to comply with any  
4 requests for information or similar data requirements imposed by the  
5 department for purposes of obtaining supporting documentation necessary  
6 to claim federal funds or to obtain federal approval.

7 Sec. 8. Section 68-985, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 68-985 If a governmental entity elects to seek supplemental  
10 reimbursement pursuant to the Ground Emergency Medical Transport Act on  
11 behalf of an eligible provider owned or operated by the entity, the  
12 governmental entity shall:

13 (1) Certify, in conformity with the requirements of 42 C.F.R.  
14 433.51, as such regulation existed on January 1, 2024, and with any other  
15 applicable federal requirements, that the claimed expenditures for ground  
16 emergency medical transport services are eligible for federal financial  
17 participation;

18 (2) Provide evidence supporting the certification as specified by  
19 the department;

20 (3) Submit data as specified by the department to determine the  
21 appropriate amounts to claim as expenditures qualifying for federal  
22 financial participation; and

23 (4) Keep, maintain, and have readily retrievable any records  
24 specified by the department to fully disclose reimbursement amounts to  
25 which the eligible provider is entitled and any other records required by  
26 the federal Centers for Medicare and Medicaid Services.

27 Sec. 9. Section 68-986, Reissue Revised Statutes of Nebraska, is  
28 amended to read:

29 68-986 (1) On or before September 1, 2024 ~~January 1, 2018,~~ the  
30 department shall submit an application to the Centers for Medicare and  
31 Medicaid Services of the United States Department of Health and Human

1 Services amending the medicaid state plan to provide for the supplemental  
2 reimbursement rate for ground emergency medical transport services as  
3 specified in the Ground Emergency Medical Transport Act.

4 (2) The department ~~shall~~ may limit the program to those costs that  
5 are allowable expenditures under Title XIX of the federal Social Security  
6 Act, 42 U.S.C. 1396 et seq., as such act and sections existed on January  
7 1, 2024 ~~April 1, 2017~~. Without such federal approval, the Ground  
8 Emergency Medical Transport Act may not be implemented.

9 (3) The certified public expenditure ~~intergovernmental transfer~~  
10 program authorized in section 68-983 shall be implemented only if and to  
11 the extent federal financial participation is available and is not  
12 otherwise jeopardized and any necessary federal approval has been  
13 obtained.

14 (4) To the extent that the chief executive officer of the department  
15 determines that certified public expenditures ~~the payments~~ made pursuant  
16 to section 68-983 do not comply with federal medicaid requirements, the  
17 chief executive officer may ~~return or~~ not accept a certified public  
18 expenditure ~~an intergovernmental transfer~~ and may adjust certified public  
19 expenditures ~~payments~~ as necessary to comply with federal medicaid  
20 requirements.

21 Sec. 10. Section 68-987, Reissue Revised Statutes of Nebraska, is  
22 amended to read:

23 68-987 (1) The department shall submit claims for federal financial  
24 participation for the expenditures for the services described in  
25 subsection (2) of section 68-986 that are allowable expenditures under  
26 federal law.

27 (2) The department shall annually submit any necessary materials to  
28 the federal government to provide assurances that claims for federal  
29 financial participation will include only those expenditures that are  
30 allowable under federal law.

31 (3) If either a final judicial determination is made by any court of



1 appellate jurisdiction or a final determination is made by the  
2 administrator of the federal Centers for Medicare and Medicaid Services  
3 that the supplemental reimbursement provided for in the Ground Emergency  
4 Medical Transport Act ~~act~~ shall be made to any provider not described in  
5 this section, the chief executive officer of the department shall execute  
6 a declaration stating that the determination has been made and such  
7 supplemental reimbursement becomes inoperative on the date of such  
8 determination.

9 Sec. 11. Section 68-988, Reissue Revised Statutes of Nebraska, is  
10 amended to read:

11 68-988 To the extent federal approval is obtained, the increased  
12 certified public expenditures ~~capitation payments~~ under section 68-983  
13 may commence for dates of service on or after January 1, 2024 ~~2018~~.

14 Sec. 12. Section 71-8506, Reissue Revised Statutes of Nebraska, is  
15 amended to read:

16 71-8506 (1) In-person contact between a health care practitioner and  
17 a patient shall not be required under the medical assistance program  
18 established pursuant to the Medical Assistance Act and Title XXI of the  
19 federal Social Security Act, as amended, for health care services  
20 delivered through telehealth that are otherwise eligible for  
21 reimbursement under such program and federal act. Such services shall be  
22 subject to reimbursement policies developed pursuant to such program and  
23 federal act. This section also applies to managed care plans which  
24 contract with the department pursuant to the Medical Assistance Act only  
25 to the extent that:

26 (a) Health care services delivered through telehealth are covered by  
27 and reimbursed under the medicaid fee-for-service program; and

28 (b) Managed care contracts with managed care plans are amended to  
29 add coverage of health care services delivered through telehealth ~~and any~~  
30 ~~appropriate capitation rate adjustments are incorporated.~~

31 (2) The reimbursement rate for a telehealth consultation shall, as a

1 minimum, be set at the same rate as the medical assistance program rate  
2 for a comparable in-person consultation, and the rate shall not depend on  
3 the distance between the health care practitioner and the patient.

4 (3) The department shall establish rates for transmission cost  
5 reimbursement for telehealth consultations, considering, to the extent  
6 applicable, reductions in travel costs by health care practitioners and  
7 patients to deliver or to access health care services and such other  
8 factors as the department deems relevant. Such rates shall include  
9 reimbursement for all two-way, real-time, interactive communications,  
10 unless provided by an Internet service provider, between the patient and  
11 the physician or health care practitioner at the distant site which  
12 comply with the federal Health Insurance Portability and Accountability  
13 Act of 1996 and rules and regulations adopted thereunder and with  
14 regulations relating to encryption adopted by the federal Centers for  
15 Medicare and Medicaid Services and which satisfy federal requirements  
16 relating to efficiency, economy, and quality of care.

17 Sec. 13. Original sections 44-32,180, 44-4726, 68-978, 68-979,  
18 68-981, 68-982, 68-983, 68-985, 68-986, 68-987, 68-988, and 71-8506,  
19 Reissue Revised Statutes of Nebraska, are repealed.

20 Sec. 14. Since an emergency exists, this act takes effect when  
21 passed and approved according to law.