

State of Colorado Emergency Medical Services (EMS) Supplemental Payment Fiscal Year (FY) 2019-20 Training – Session I

Presented by:

Colorado Department of Health Care Policy and Financing (Department)
Public Consulting Group (PCG)

September 30 – October 7, 2020

Introductions – Department

The Colorado Department of Health Care Policy and Financing will administer the CO EMS Supplemental Payment, communicating with the Centers for Medicare and Medicaid Services (CMS) to disburse supplemental payments to public Providers who successfully complete the annual cost report.

Shannon Huska

Daniel Harper



Introductions – PCG

Public Consulting Group (PCG) is the third party assisting public Providers with CO EMS Supplemental Payment activities on behalf of the Department.

- Garrett Abrahamson
- Maggie Dunham
- Miles Brown
- Damia Mendoza



Agenda

- Acronyms
- Interactive Instructions
- Supplemental Payment Overview
- Cost Report Requirements
- Case Study Activity
- Timeline and Next Steps
- Certification Instructions
- Contacts and Support
- Questions



Acronyms

Acronym	Full Name
Department	Colorado Department of Health Care Policy and Financing
PCG	Public Consulting Group
EMS	Emergency Medical Services
MTS	Medical Transportation Services
FMAP	Federal Medical Assistance Percentage
ASCR	Ambulance Services Cost Report portal
FY	Fiscal Year
CAD	Computer-Aided Dispatch
FFS	Fee-for-Service
CAR	Comprehensive Audit Review
SIT	Strategic Intervention Trainings



Interactive Instructions

- 1.** Log into the following Poll Everywhere website: www.polleev.com/coems134. Please use **first and last name** for your screenname and click continue.
- 2.** You should see a screen that displays **“Waiting for coems134’s presentation to begin...”**
- 3.** Once PCG activates a question, you will have the opportunity to respond by clicking on the answer of your choice
- 4.** Your answer will be anonymous and can be changed by selecting ‘Clear last response’
- 5.** PCG will refresh the PowerPoint to display all responses received and facilitate a discussion around the correct answer



FY 2018-19 CO EMS Supplemental Payment Recap



320+ calls received & 590+ emails issued
on the Help Desk



63 Providers completed the FY 2018-19 Cost Report



\$26 Million in supplemental payment funding

CO EMS Supplemental Payment Overview

The Current Situation of Providers

- Current Medicaid payment rates do not account for the actual costs incurred by Providers for the provision of EMS.
- Typically, the rate at which Medicaid transports are reimbursed is 25% or less of the actual cost to the Provider.
- Municipalities and counties are left to use alternative funding sources to supplant the costs, such as the allocation of taxes and fees.
- The CO EMS Supplemental Payment provides additional funding on top of current Medicaid payments.



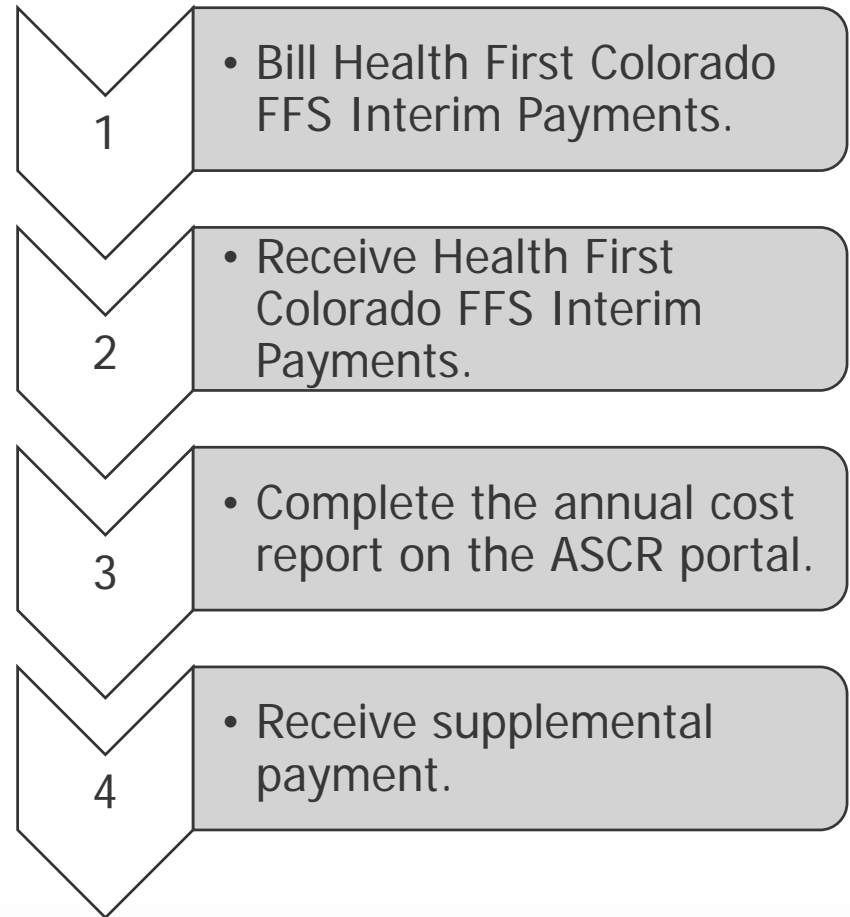
CO EMS Supplemental Payment Summary

- A voluntary, ongoing reimbursement opportunity for public Providers to receive additional payments for EMS delivered to Health First Colorado beneficiaries.
- Created to reduce the gap of low Medicaid reimbursement rates to public Providers.
- Public Providers will complete a cost report on an annual basis containing costs from the State FY (July 1 to June 30.)



How Does the CO EMS Supplemental Payment Work?

- Supplemental Payment programs allow states to access additional federal funds for healthcare services.
- Since Medicaid is a joint federal and state program, each entity is responsible for its share of costs.
- The expenses already incurred by the public Provider represent the state share.



CO EMS Supplemental Payment Eligibility Criteria

- Be enrolled as a Medicaid provider.



- Provide EMS transports to Medicaid enrollees.



- Be owned or operated by a government entity.



How to Obtain a Supplemental Payment

1. Must be a public EMS Provider that provides Medicaid transports in the state of Colorado.
2. Bill Health First Colorado.
3. Receive Health First Colorado FFS Interim Payments.
4. Fill out the [Intent of Participation form](#).
5. Complete the FY 2019-20 cost report by November 27, 2020.
6. Complete the Desk Review.
7. Undergo the CAR, if selected.
8. Complete the Cost Report Certification.
9. Receive supplemental reimbursement through the cost settlement process.



Cost Settlement Calculation

➤ The following example is of a fire department and should not be used for budgeting.

➤ Several variables will impact the supplemental payment including allowable Medicaid transports.

➤ Providers will receive both, the Health First Colorado Paid Claims and the supplemental payment.

SAMPLE COST SETTLEMENT	FIRE-BASED PROVIDER
Total Expenditures	\$8,000,000.00
Medical Percentage (CAD Allocation)	75%
*Ambulance only Providers' percentage will be 100	
Total Health First Colorado Transportation Services	\$6,000,000.00
Total Transports	5,000
Cost per Transport	\$1,200.00
Total Health First Colorado Transports (5%)	250
Total Cost of Providing Health First Colorado Transports	\$300,000.00
Health First Colorado Paid Claims	\$75,000.00
FMAP Application (FY 2019-20)	50%
Total Computable	\$112,500.00
State Administration of Program (10%)	\$ 11,250.00
Projected Supplemental Payment	\$101,250.00



Supplemental Payment Calculation - Transports

- The number of transports is highly important to calculate an accurate cost settlement.
- An allowable transport is an emergency ambulance transport of a patient to an emergency facility.
- Non-emergent or scheduled inter-facility transports are not allowable.
- The **total** number of transports should include every single transport completed by the Provider, regardless of payor type.



Important Dates

Cost Reporting
Period Begins:
7/1/2019

Cost Report
Due: 11/27/20

Cost Reporting
Period Ends:
6/30/20

Supplemental
Payments
Disbursed:
9/27/21



CO EMS Supplemental Payment Cost Report Requirements

Data Collection

The Supplemental Payment data collection requirements are designed to utilize reports and materials that most Providers prepare for other purposes. It is recommended that Providers have inter-departmental support to collect this data.

#	Item	Description
1	Expenditures (as reported in most up to date financial statements or audited financials)	Annual detailed expenditure files broken by cost center.
2	Depreciation	Depreciation schedule file that includes asset number, description, date placed in service, years of useful life, and original cost.
3	Computer Aided-Dispatch System Information (other forms of dispatch reporting are also acceptable)	Report showing the total amount of time spent on EMS and non-EMS calls.
4	Indirect Cost Rate Proposal (if applicable)	Cost Allocation Plan or Indirect Cost Rate proposal from the Provider's county/city/town to incorporate additional overhead costs.
5	Net Revenues Summary	Report of net revenues for all payer types, except Health First Colorado.
6	Total Transports	Report all emergency medical transports, including Health First Colorado.
7	Federal Funds (if applicable)	Award files.



Expenditures

- Report expenses incurred between July 1, 2019 to June 30, 2020.
- Allowable expenses must be required for the provision of EMS (Ex: celebrations or fundraising events are not allowable)
- On the ASCR portal, determine whether the expense is:
 1. Solely dedicated to the provision of EMS (MTS Expense tab).
 2. Solely dedicated to fire services (Non-MTS Expense tab).
 3. Shared between fire and EMS operations (Expense Allocation tab).





If a Provider reports on a calendar year basis, costs can be pro-rated to report 50% of the costs from 2019 and 2020.

Recycled cost reports submitted for other programs such as Medicare are not applicable and will not be accepted.

Expenditures – Allowable Categories: Capital Related + Salaries & Fringe Benefits

- Depreciation - Buildings and Improvements
- Depreciation - Leasehold Improvements
- Depreciation - Vehicles
- Depreciation - Equipment
- Depreciation and Amortization
- Leases and Rentals
- Property Taxes
- Property Insurance
- Interest - Property, Plant, and Equipment
- Other- (Specify)
- Chief Information Officer
- Administration/ Director
- Medical Director
- Firefighters
- Paramedics
- Fire Marshal
- Fire Prevention
- Emergency Management Coordinator
- Public
- Safety Officer
- Training Coordinators
- Quality Assurance Techs
- 911 Call Technicians
- Billing Reps
- Other- (Specify)



Expenditures – Allowable Categories: Administrative and General

- Administrative
- Legal
- Accounting
- Advertising
- Consulting Expenses
- Contracted Labor
- Interest - Other
- Training
- General Insurance
- Supplies
- Bad Debt
- Plant Operations and Maintenance
- Housekeeping
- Utilities
- Medical Supplies
- Minor Medical Equipment
- Minor Equipment
- Fines and Penalties
- Fleet Maintenance
- Communications
- Recruit Academy
- Dispatch Service
- Logistics
- Postage
- Dues and Subscriptions
- Other - Capital Related Costs
- Contracted Services - MTS
- Contracted Services - MTS Billing
- Other A&G Costs
- Other- (Specify)





Although Bad Debt is listed as a cost category, it must be backed out from the cost report on the Reclassifications and Adjustments tab in the ASCR portal, or simply excluded.

Depreciation

- Report capital assets that are \$5,000 or more under the Depreciation tab.
- If an asset is less than \$5,000, it can be reported under the appropriate expense tab (MTS, Non-MTS, or Expense Allocation), if it was purchased during the cost reporting period. If not, it is unallowable.
- All assets should be labeled as either MTS, Non-MTS or Shared.



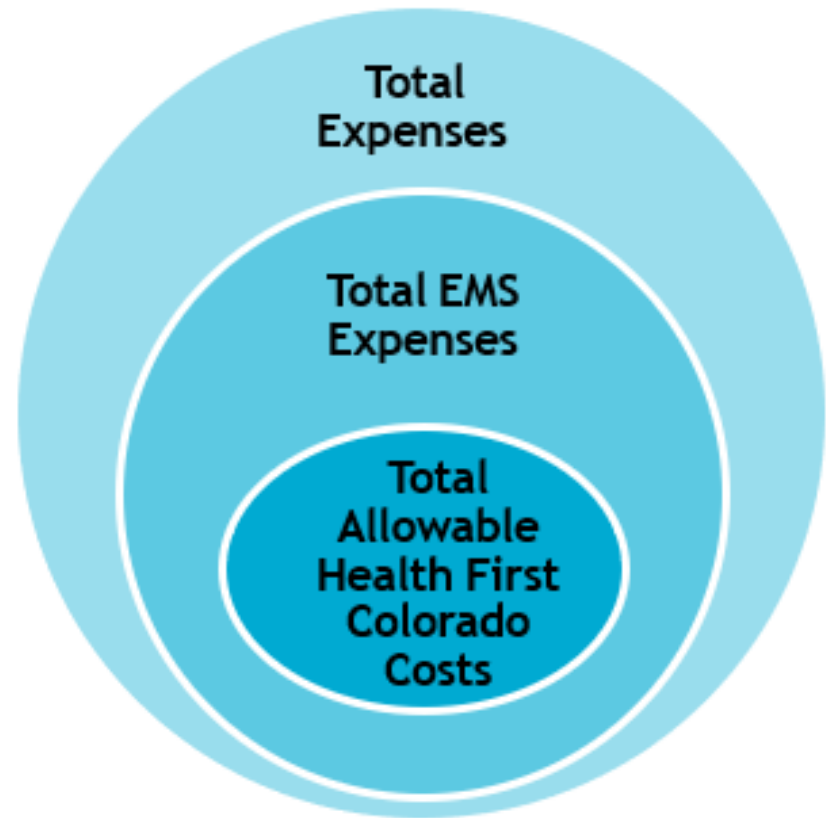
Depreciation Required Fields

Description of Asset	Include the Provider's unique label or title for each asset.
Expense Type	Select the asset type in the in drop-down of the corresponding category (MTS, Non-MTS, Shared).
Asset Number	Unique identifier that will tie back to the Provider's fixed asset report.
Month/Year Placed in Service	The date the depreciable asset was first placed into service.
Years of Useful Life	Estimated useful life as identified in the Provider's fixed asset report/depreciation schedule.
Month/Year Placed out of Service	The ASCR portal automatically calculates this date based on the Month/Year Placed in Service and Years of Useful Life. However, Providers will be able to edit this field if the capital assets are placed out of service before their expected useful life.
Cost	Initial cost of asset as identified in the Provider's depreciation schedule.
Salvage Value	Estimated resale value of the asset at the end of its useful life.



Allocation Statistics

- The Allocation Statistics determine how much of your shared expenses (reported under the Expense Allocation tab) and capital assets can be allocated toward the total allowable costs.
- Report total amount of **time** spent on EMS related calls (MTS Duty) and non-EMS calls (Non-MTS Duty) under the Allocation Statistics tab.
- The total “time on task” is the time spent between “dispatch” time to “clear” time.



Indirect Cost Rate Proposal

- Known as Cost Allocation Plan or Indirect Cost Rate Proposal.
- Determines the percentage of shared costs between a county/town/city and the Provider.
- Examples include Utilities, Human Resources, Legal and other administrative expenses.
- Not commonly reported in Colorado.
- If applicable, this will be entered on the Final Settlement tab of the ASCR portal.



Net Revenues Summary

- Report the amount that the Provider **received (net)** only for transports from different payor types on the Revenues tab, under the Other Revenue/Funding Sources. **Do not report amounts charged (gross).**
- The “Medicaid Fee for Service Revenue from Transports” section on the Revenues tab is locked for editing.
- If a revenue source does not fit the categories previously listed, add a new row and title it appropriately to identify the additional revenue sources.



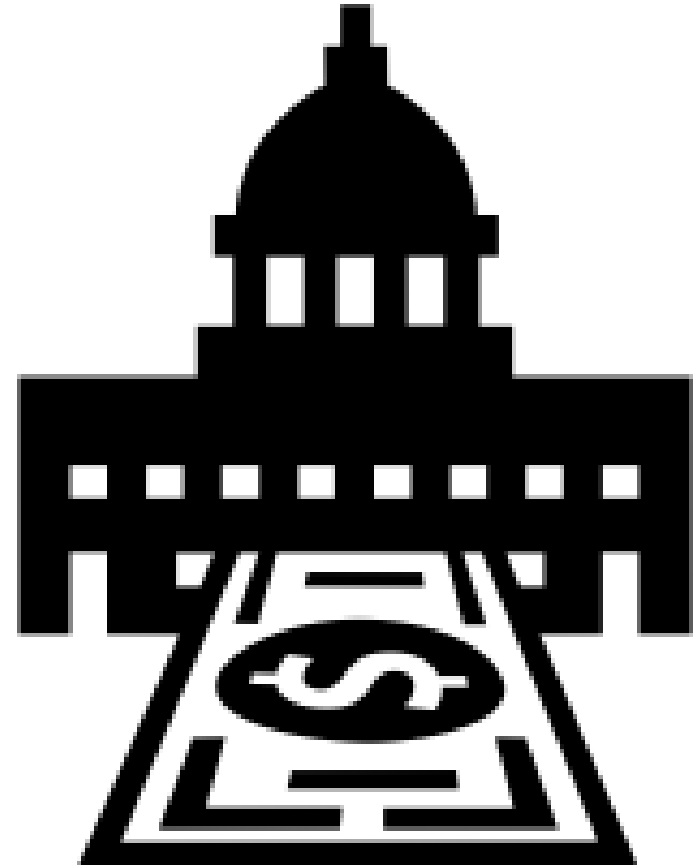
Total Transports

- Report transports on the Final Settlement tab, under the Total MTS Transports section, in column “Total”.
- Report the total amount of **ALL** EMS transports regardless of payment. This should include Medicaid, Medicare and **all calls that resulted in an EMS transport.**
- The Health First Colorado transports will be reported in August of 2021 by the Department.



Federal Funds

- Report only **federal** grants under the Reclassification and Adjustments tab.
- Do **not** report state and local grants as they do not affect the CO EMS Supplemental Payment.
- Only report the **amount expended** during the cost reporting period (July 1, 2019 through June 30, 2020).
- Supporting documentation should include the original grant (fully awarded amount), and **items expended** during the cost reporting period.





All Cares Act funding due to COVID-19 must be reported under the Reclassifications and Adjustments tab on the ASCR portal.

CO EMS Supplemental Payment Timeline and Next Steps

FY 2019-20 Timeline

September to October 2020
•Cost Reporting Trainings.

February to March 2021
•All Providers undergo Desk Reviews.

August 2021
•FFS Medicaid Transports and Revenues Populated.

September 2021
•Supplemental payments disbursed.



November 2020
•Electronic Cost Report Certification due on the 27th.

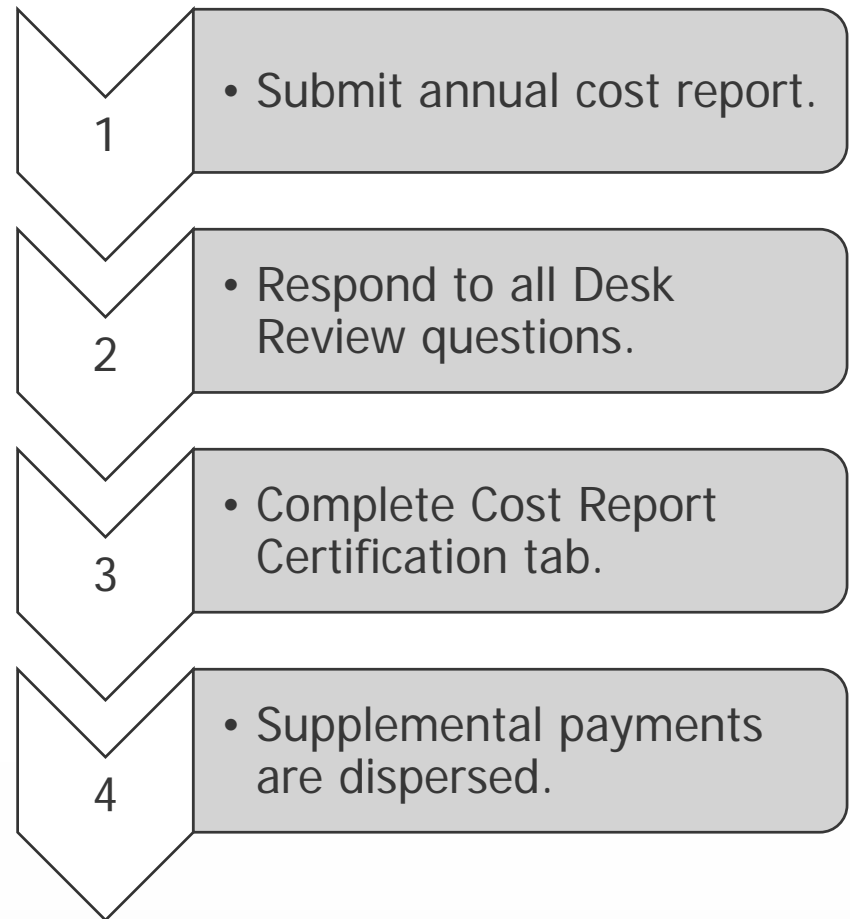
March to April 2021
•Selected Providers undergo CAR.

August 2021
•Final signed Cost Report Certification form collection.



Desk Reviews

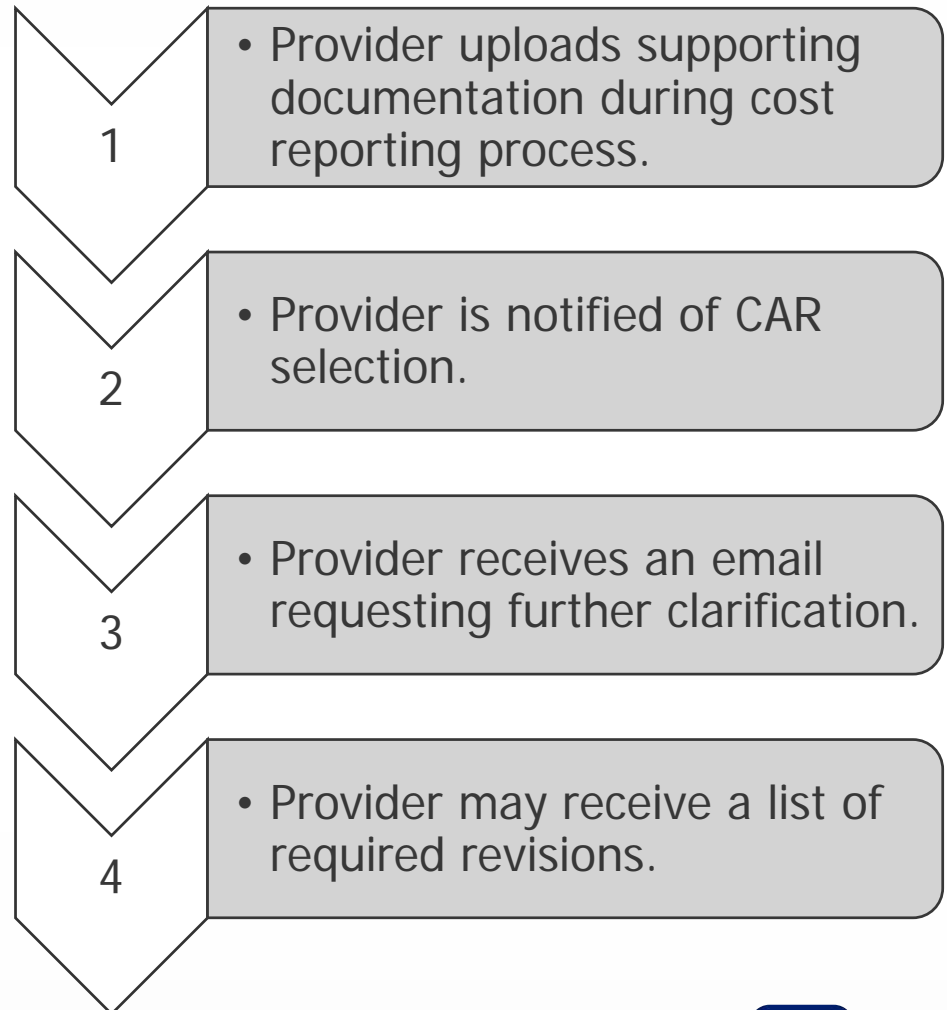
- All Providers must undergo a Desk Review between February and March of 2021.
- This is a process designed to maintain accuracy.
- Provider responds to triggered warnings and thresholds. Responses will be reviewed and follow up questions will be asked if necessary.
- If any Desk Review items require cost report revisions, the cost report can be reopened.



Comprehensive Audit Review (CAR)

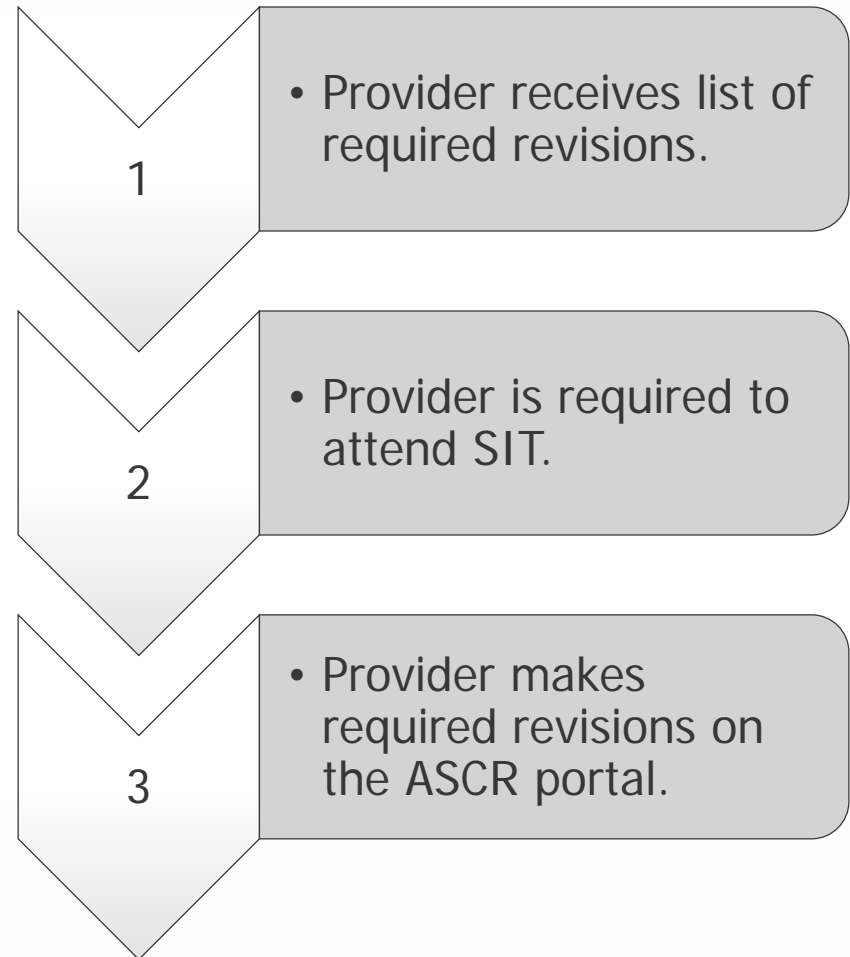
➤ Selected Providers must undergo the CAR process between March and April of 2021.

➤ All Providers must undergo a CAR at least once every three years.



Strategic Intervention Training (SIT)

- SITs are a requirement for Providers whose CAR resulted in cost report revisions.
- SITs will take place between March and April of 2021.



Health First Colorado Transports & Revenue

- Only **Health First Colorado transports** are eligible for reimbursement to Public Providers through the CO EMS Supplemental Payment.
- After all cost report revisions are made, the allowable Health First Colorado transports and revenue will **be populated on the ASCR portal by PCG.**
- The **transports and revenue** will be uploaded in August of 2021.



CO EMS Supplemental Payment Cost Report Certification Instructions

Cost Report Certification

- Upon completion of all tabs, and once the Health First Colorado transports and revenues have been populated, an Authorized Signatory of the public agency **must print** the **Cost Report Certification form**, sign it, and upload the signed form back on the ASCR portal.
- The **Cost Report Certification tab** will not show up on the portal until the entire cost report is certified under the Final Settlement tab.
- The **Cost Report Certification signing and collection process** will take place in late August of 2021.



Cost Report Certification Notes

- The Cost Report Certification form **attests to and certifies the accuracy** of the financial information reported.
- Provider ensures that the information reported ties exactly to the **supporting documentation**.
- Provider will sign the Cost Report Certification **after** the Desk Review, CAR, and inclusion of Health First Colorado transport and revenue data.



Additional Resources

The following documents will be available **on October 7, 2020**:

- FY 2019-20 Ambulance Service Cost Report User Guide.
- FY 2019-20 Frequently Asked Questions.
- FY 2019-20 Recorded Trainings.



CO EMS Supplemental Payment Stakeholder Group

- **Stakeholders inform** program improvement suggestions.
- Stakeholders contribute to **public Provider outreach initiatives**.
- Stakeholders **can guide and/or receive** legislation and program updates, as available.
- **You will be invited** to participate in the bi-yearly meetings: October 19, 2020 and April 28, 2021.
- If you are interested, please reach out to Daniel Harper at daniel.harper@state.co.us.



CO EMS Supplemental Payment Contacts and Support

Department Contact

Daniel Harper

Financial Analyst

daniel.harper@state.co.us



On-Going Support

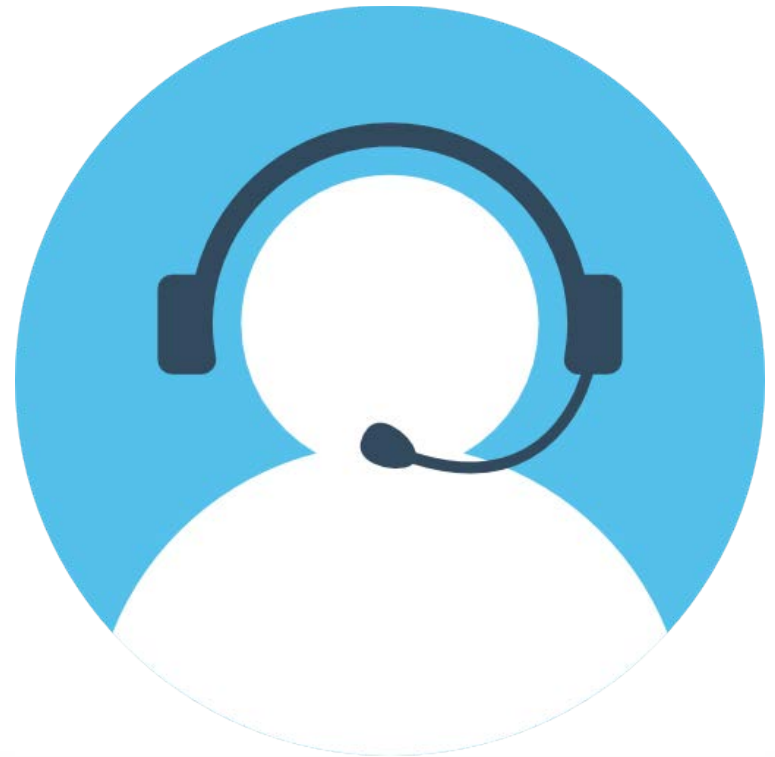
Please reach out to us if you have any questions!

On-Going Cost Reporting Support Information

877-775-3867

COEMSSupplemental@pcgus.com

Help Desk Operations hours are Monday- Friday, from 9 am to 5 pm, excluding holidays.



Questions?



Solutions that Matter