

SB 407-FN - AS AMENDED BY THE HOUSE

03/21/2024 0999s
04/11/2024 1422s
2May2024... 1641h

2024 SESSION

24-3036
05/10

SENATE BILL **407-FN**

AN ACT establishing a ground ambulance cost reporting program and a study by an independent actuarial and accounting expert of the cost of providing ground ambulance services in the state.

SPONSORS: Sen. Prentiss, Dist 5; Sen. Fenton, Dist 10; Sen. Watters, Dist 4; Sen. Altschiller, Dist 24; Sen. Perkins Kwoka, Dist 21; Sen. Soucy, Dist 18; Sen. Rosenwald, Dist 13; Sen. Whitley, Dist 15; Sen. Gannon, Dist 23; Sen. Innis, Dist 7; Sen. Birdsell, Dist 19; Sen. Carson, Dist 14; Sen. Chandley, Dist 11; Sen. D'Allesandro, Dist 20; Rep. Goley, Hills. 21; Rep. S. Pearson, Rock. 13; Rep. Stringham, Graf. 3; Rep. Wolf, Merr. 7

COMMITTEE: Health and Human Services

AMENDED ANALYSIS

This bill provides for a statewide ground ambulance cost reporting program and a study by an independent actuarial and accounting expert of the cost of providing ground ambulance services in the state. The study shall include an illustrative ground ambulance rate schedule which is such that, if fully insured health carriers were to use this schedule in reimbursing nonparticipating ground ambulance providers, it would be sufficient to cover the reasonable cost of providing efficiently delivered care and a reasonable operating margin, assuming all payers in the state are paying at the same rate.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Four

AN ACT establishing a ground ambulance cost reporting program and a study by an independent actuarial and accounting expert of the cost of providing ground ambulance services in the state.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Managed Care Law; Establishing a Ground Ambulance Cost Reporting Program and
2 Providing for a Study by an Independent Actuarial and Accounting Expert of Ground Ambulance
3 Costs and Ground Ambulance Reimbursement Rates.

4 I. Beginning on the effective date of this section, the commissioner shall oversee the process
5 provided for in this section of contracting with an independent actuarial and accounting expert to
6 conduct a study of the costs incurred and revenue collected by ground ambulance providers related to
7 the provision of ground ambulance services in the state, including the cost of sustaining a reasonable
8 operating margin in support of the expectation that ground ambulance providers in the state
9 maintain readiness to meet demand for services. The commissioner of the department of safety shall
10 collaborate with the commissioner in collecting cost and revenue reports, as designed by the
11 actuarial and accounting contractor, from all ground ambulance providers in the state. The
12 actuarial and accounting contractor may make use of the Medicare ground ambulance cost reporting
13 template if deemed appropriate by the contractor for the purposes set out in this section. The
14 commissioner of the department of safety shall have authority to enforce this reporting requirement
15 upon ground ambulance providers under the general supervision and specific enforcement authority
16 conferred by RSA 153-A and shall work with the commissioner to set a deadline for ground
17 ambulance providers to submit their cost reports that is sufficient to facilitate the completion of the
18 study and report provided for in this section in a timely manner.

19 II. Based on the information provided through the cost and revenue reports, the actuarial
20 and accounting contractor shall be directed to summarize the cost and revenue information collected
21 and to derive an illustrative statewide cost-based default rate schedule appropriate for fully-insured
22 commercial payers for use in reimbursing nonparticipating ground ambulance providers. The
23 schedule may be based on a percentage of Medicare rates, or it may be an independently developed
24 schedule. The schedule may vary based on geographic region. Reimbursement under the
25 illustrative schedule shall be designed to cover the costs attributable to the provision of covered
26 services assuming that all public and commercial ground ambulance payers in the state are paying
27 at the same rate and assuming that the rate of subsidization of ground ambulance services in the
28 state through public funds remains constant. Costs shall include the cost of pre-hospital care and

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1 the cost of sustaining a reasonable operating margin as necessary to fulfill the expectation that
2 ground ambulance providers in the state maintain readiness to meet future demand for services.
3 Cost estimates shall be based on the assumption that services shall be provided in a reasonably cost-
4 effective manner. The illustrative rate schedule shall be accompanied by an actuarial estimate of
5 the impact on premiums for fully-insured coverage in the state. For this purpose, the commissioner
6 shall provide the contractor with access to all payer claims data. The contractor shall produce a final
7 report by December 31, 2024, detailing the information required to be produced under this section
8 and such other supplemental information as shall be directed by the commissioner. The
9 commissioner shall assist the contractor as necessary to complete the study and report in a timely
10 manner. The report shall be submitted to the president of the senate, the speaker of the house of
11 representatives, the house and senate policy committees with jurisdiction over commerce and health
12 and human services issues, the governor, and the state library.

13 III. The cost of the ground ambulance cost and actuarial study and illustrative rate schedule
14 development shall be financed by the New Hampshire health plan established under RSA 404-G.
15 The New Hampshire health plan shall have authority to carry out a one-time special assessment of
16 assessable entities as defined in RSA 404-G:2 to generate a funding level that is estimated to be
17 sufficient to retain a qualified actuarial vendor to carry out the tasks provided for in this section.
18 With the approval of the commissioner, the New Hampshire health plan shall select a qualified
19 actuarial and accounting vendor through a competitive bidding process to work with the
20 commissioner and the commissioner of the department of safety to carry out the relevant provisions
21 of this section. The performance of this special assessment and the selection and compensation of a
22 qualified actuarial vendor shall be deemed to be a “program” of the New Hampshire health plan as
23 defined in RSA 404-G:2, IX. The commissioner shall have the authority to waive the formal plan of
24 operation requirement under RSA 404-G:5 as necessary facilitate the timely process of retaining a
25 qualified contractor under this section and meeting the December 31, 2024 deadline for obtaining an
26 expert study and report.

27 2 Effective Date. This act shall take effect upon its passage.

SB 407-FN- FISCAL NOTE
AS AMENDED BY THE HOUSE (AMENDMENT #2024-1641h)

AN ACT establishing a ground ambulance cost reporting program and a study by an independent actuarial and accounting expert of the cost of providing ground ambulance services in the state.

FISCAL IMPACT: ☐ State ☐ County ☐ Local ☒ None

METHODOLOGY:

The Office of Legislative Budget Assistant states this bill, as amended by the House, has no fiscal impact on state, county and local expenditures or revenue.

AGENCIES CONTACTED:

Departments of Insurance and Safety