Iowa Medicaid
IOWA HHS

INFORMATIONAL LETTER NO. 2390-MC-FFS

DATE:	October 18, 2022
TO:	Iowa Medicaid Ambulance Providers
APPLIES TO:	Managed Care (MC), Fee-for-Service (FFS)
FROM:	Iowa Department of Health and Human Services (HHS), Iowa Medicaid
RE:	Ground Emergency Medical Transportation (GEMT) Prospective Payment Program Updates
EFFECTIVE:	Immediately

This informational letter (IL) contains cost report submission requirements for providers who voluntarily choose to participate in the program for state fiscal year (SFY) 2024. Additional guidance is provided for the definition of dry runs and the treatment of fire service costs on the Iowa Medicaid GEMT cost report.

Submission Requirements to Voluntarily Participate in SFY 2024

The SFY 2022 Medicaid GEMT cost report is due **November 30, 2022**. The following must be included in the submission:

- Excel version of cost report (must use the current version on the HHS website[1])
- Signed PDF version of certification page of cost report
- Signed PDF version of SFY 2024 intergovernmental transfer (IGT) agreement
- Signed PDF version of the SFY 2024 provider participation agreement
- Indirect cost rate proposal (if applicable)
- Working trial balance / fund accounting report
- Grouping schedules
- Audited financial statements
- Support for ambulance transports (Schedule 9 support template can be used)
- Square footage allocation statistics support
- Hours logged allocation statistics support (Schedule 4 support template can be used)
- Schedule 6 reclassification support
- Schedule 7 adjustment support

[1] https://dhs.iowa.gov/ime/providers/tools-trainings-and-services/medicaid-initiatives/GEMT

- Indirect cost support
- IGT funding source document

Electronic versions of the cost report, Schedule 4 support template, Schedule 9 support template, IGT funding source document, and other program-related documents and information are located on the HHS website[2].

Dry Runs

The Centers for Medicare and Medicaid Services (CMS) recently issued a Center for Medicaid and CHIP Services (CMCS) informational bulletin titled Applicable Federal Cost Principles for Ground Emergency Transportation (GEMT)[3]. Based on this informational bulletin, the State of Iowa contacted CMS to discuss the federal definition for "dry run". CMS stated that the federally adopted definition of a dry run is a situation in which an ambulance is sent to a location, but the beneficiary either refuses care or the ambulance arrives and the beneficiary cannot be located.

Situations that meet the federally adopted definition for a dry run will use the following GEMT cost-per-transport formula where the numerator is "cost" and the denominator is "total trips". The GEMT provider may:

- Include dry runs (as defined above) in both the numerator and the denominator OR
- Exclude dry runs (as defined above) from both the numerator and denominator.

Iowa Medicaid will calculate the cost per trip based on whether the provider has chosen either to include or exclude the dry run costs on the Iowa Medicaid GEMT cost report.

Treatment of Fire Service Costs

The CMCS bulletin provides the following guidance on the treatment of fire service costs:

"For Medicaid GEMT services, the cost objective is the transportation of a Medicaid beneficiary to a facility to receive emergently needed medical care; general fire and rescue activities would not meet this objective. In the case of the costs associated with fire and rescue personnel who are not Medicaid-participating providers performing covered services and their vehicles and equipment, those costs are readily assignable to the fire and rescue cost objectives rather than to the Medicaid objective of furnishing GEMT services and are not directly or indirectly attributable to a Medicaid-covered service furnished to a beneficiary."

[2] https://dhs.iowa.gov/ime/providers/tools-trainings-and-services/medicaid-initiatives/GEMT
[3] https://www.medicaid.gov/federal-policy-guidance/downloads/cib08172022.pdf

Based on this guidance, any personnel who is not considered a licensed or certified emergency medical technician and/or did not perform Medicaid-covered services at the scene of an emergency will be considered 100% fire service cost. Subsequently, the associated personnel, vehicle, and equipment cost must be reported on Schedule 3 of the Iowa Medicaid GEMT cost report regardless of if the personnel were dispatched for an emergency medical service.

If you have any questions, please contact the Iowa Medicaid Provider Cost Audit (PCA) Unit at costaudit@dhs.state.ia.us.