



EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES
COMMONWEALTH OF MASSACHUSETTS
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ASSISTANT SECRETARY
FOR MASSHEALTH

October 13, 2023

Chair Michael Rodrigues
Senate Committee on Ways and Means
State House Room, Room 212
Boston, MA 02133

Chair Aaron Michlewitz
House Committee on Ways and Means
State House, Room 243
Boston, MA 02133

Mr. Michael D. Hurley
Senate Clerk
State House, Room 335
Boston, MA 02133

Mr. Steven T. James
House Clerk
State House, Room 145
Boston, MA 02133

Dear Chair Rodrigues, Chair Michlewitz, Mr. Hurley and Mr. James:

Massachusetts General Law Chapter 29, Section 2KKKKK requires that the Executive Office of Health and Human Services (EOHHS) provide a report detailing all money transferred, credited or deposited into and from the Nonpublic Ambulance Service Reimbursement Trust Fund (the Trust Fund), as well as the reasons for any unspent funding and an analysis of the uniform assessment paid by nonpublic ambulance providers.

After receiving approval from the Centers for Medicare and Medicaid Services (CMS) in late December 2022, EOHHS implemented the nonpublic ambulance assessment in early 2023. In the first quarterly assessment, EOHHS assessed nonpublic ambulance providers \$3,647,922.27 for the period 07/01/2021-09/30/2021. These providers have paid \$3,518,728.99 into the Trust Fund, of which \$175,570.15 represented prepayment of future assessed amounts. The paid amounts remain in the trust fund.

EOHHS made interim supplemental payments to nonpublic ambulance providers covered by the assessment totaling \$15,075,000 to providers in February 2022, covering this same period of 07/01/2021-09/30/2021.

In May 2023, EOHHS implemented a pause in the ambulance assessment. This pause was instituted because CMS issued an Informational Bulletin on February 17, 2023, reiterating certain federal requirements that pertain to health care-related taxes such as the nonpublic ambulance assessment, including a prohibition on so-called "hold harmless" arrangements established entirely by non-state actors.

EOHHS received information indicating that some providers may have entered into hold harmless arrangements of the sort described in the Informational Bulletin relating to the nonpublic ambulance

assessment. Accordingly, EOHHS implemented the administrative pause while it reviewed compliance with the Informational Bulletin.

Please feel free to contact Sarah Nordberg at Sarah.Nordberg@mass.gov should you have any questions about this report.

Sincerely,

A handwritten signature in black ink that reads "Mike Levine". The signature is written in a cursive, flowing style.

Mike Levine

cc: Kathleen E. Walsh