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## AB-1328 Medi-Cal reimbursements: nonemergency ambulance and other transportation. (2025-2026)



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CALIFORNIA LEGISLATURE— 2025–2026 REGULAR SESSION

**ASSEMBLY BILL** NO. 1328

## Introduced by Assembly Member Michelle Rodriguez

February 21, 2025

An act to add Sections 14124.151, 14124.152, and 14124.153 to the Welfare and Institutions Code, relating to Medi-Cal.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1328, as amended, Michelle Rodriguez. Medi-Cal reimbursements: nonemergency ambulance and other transportation.

Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services, including emergency or nonemergency medical or nonmedical transportation services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions.

Under this bill, commencing on July 1, 2026, 2027, and subject to an appropriation, Medi-Cal fee-for-service reimbursement for nonemergency ambulance transportation services, as defined, would be in an amount equal to 80% of the amount set forth in the federal Medicare ambulance fee schedule for the corresponding level of service, adjusted by the Geographic Practice Cost Index, as specified. The bill would require the department to establish a Medi-Cal managed care directed payment program for nonemergency ambulance transportation services, with the reimbursement rates set in an amount equal to at least the amount set forth under fee-for-service reimbursement.

The bill would require the department to maximize federal financial participation in implementing the above-described provisions to the extent allowable. To the extent that federal financial participation is unavailable, the bill would require the department to implement the provisions using state funds, as specified.

Under the bill, whenever the medical necessity of nonemergency ambulance transportation services needs to be certified for purposes of Medi-Cal coverage, either a physician or a nonphysician authorized under certain federal regulations would be permitted to complete that certification, as specified. The bill would require the department to revise and update the Medi-Cal provider manual or any guidance, as applicable, to implement this provision.

Existing Medi-Cal regulations require that records of medical transportation providers include, among other information, odometer readings at each pickup and delivery location.

Under this bill, for purposes of documenting mileage in their records under the Medi-Cal program, medical transportation providers would be authorized to utilize vehicle Global Positioning System (GPS) tracking, digital mapping software or applications, or another reasonable mechanism identified by the department, as specified, in addition to the above-described odometer readings. The bill would require the department to revise and update any corresponding regulations, including the above-described provision.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 14124.151 is added to the Welfare and Institutions Code, immediately following Section 14124.15, to read:

**14124.151.** (a) (1) Commencing on July 1, <del>2026,</del> 2027, subject to an appropriation made by the Legislature to fund, in whole or in part, the reimbursement rates described in this subdivision, Medi-Cal fee-for-service reimbursement for nonemergency ambulance transportation services shall be in an amount equal to 80 percent of the amount set forth in the federal Medicare ambulance fee schedule established pursuant to Section 1395m of Title 42 of the United States Code, for the corresponding level of service.

- (2) The reimbursement described in paragraph (1) shall be adjusted by the Geographic Practice Cost Index under the federal Centers for Medicare and Medicaid Services, specific to the area of California in which the services are provided.
- (3) The department shall establish a Medi-Cal managed care directed payment program pursuant to the authority described in Section 438.6(c) of Title 42 of the Federal Code of Regulations to increase the reimbursement rates for nonemergency ambulance transportation services to an amount equal to at least the amount set forth in paragraph (1), for the corresponding level of service. The department shall adjust the directed payment amount annually pursuant to paragraph (2). The directed payments shall commence on July 1, 2026, 2027, subject to an appropriation made by the Legislature to fund, in whole or in part, the reimbursement rates described in this paragraph.
- (b) (1) The department shall maximize federal financial participation in implementing this section to the extent allowable. For purposes of implementing this section, the department shall claim federal financial participation to the extent that the department determines it is available.
  - (2) To the extent that federal financial participation is unavailable, the department shall implement this section using state funds, if appropriated as described in subdivision (a).
  - (3) It is the intent of the Legislature that the appropriation described in subdivision (a) be sufficient to fund the reimbursement levels in whole.
- (c) Notwithstanding the rulemaking provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this section, in whole or in part, by means of plan letters, plan or provider bulletins, or similar instructions without taking any further regulatory action.
- (d) For purposes of this section, "nonemergency ambulance transportation services" means nonemergency medical transportation services, as described in Section 51323 of Title 22 of the California Code of Regulations, that are conducted by ground ambulance. The term "nonemergency ambulance transportation services" does not include emergency medical transport services, as defined in subdivision (g) of Section 14129.
- SEC. 2. Section 14124.152 is added to the Welfare and Institutions Code, immediately following Section 14124.151, to read:
- **14124.152.** (a) Whenever the medical necessity of nonemergency ambulance transportation services needs to be certified for purposes of Medi-Cal coverage, either a physician or a nonphysician authorized pursuant to Section 410.40 of Title 42 of the

Code of Federal Regulations or its successor may complete that certification. The physician certification statement or nonphysician certification statement used for this purpose shall conform to the definitions and standards set forth in Section 410.40 of Title 42 of the Code of Federal Regulations or its successor.

- (b) The department shall revise and update the Medi-Cal provider manual or any guidance, as applicable, to implement subdivision (a).
- (c) This section applies to both of the following:
  - (1) The Medi-Cal fee-for-service delivery system.
  - (2) A Medi-Cal managed care plan, and its subcontractor or designee as applicable, to the extent that the plan incorporates the certification requirement described in subdivision (a) into the plan's coverage of nonemergency ambulance transportation services.
- (d) For purposes of this section, "nonemergency ambulance transportation services" has the same meaning as set forth in Section 14124.151.
- **SEC. 3.** Section 14124.153 is added to the Welfare and Institutions Code, immediately following Section—14124.153 *14124.153*, to read:
- **14124.153.** (a) For purposes of documenting mileage in their records under the Medi-Cal program, medical transportation providers may utilize any of the following mechanisms:
  - (1) Odometer readings at each pickup and delivery location.
  - (2) Vehicle Global Positioning System (GPS) tracking.
  - (3) Digital mapping software or applications, whether or not installed in the vehicle transporting the patient.
  - (4) Any other mechanism identified by the department, as deemed reasonable based on ongoing technological updates.
- (b) The department shall revise and update any regulations corresponding to mileage documentation, as described in subdivision
- (a), including Section 51476 of Title 22 of the California Code of Regulations.