



Ground Ambulance & Patient Billing Advisory Committee

Medicare Ambulance Fee Schedule



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Agenda

1. Overview of Ambulance Transport Benefit
2. Health Equity
3. COVID-19 Flexibilities
4. Medicare Ground Ambulance Data Collection System (GADCS)
5. AFS References

CMS Responsible Component for AFS & Statutory Requirements

- **Responsible Component for AFS:**
 - Center for Medicare
 - Technology, Coding and Pricing Group
 - Division of Data Analysis and Market-Based Pricing
- **Statutory Requirements:**
 - The Social Security Law (the Act) at 1861(s) (7) describes the ambulance services benefit under Medicare as a transportation benefit. The Act at 1834(l) is the establishment of the fee schedule for ambulance services effective for dates of service on or after April 1, 2002.

Overview of Ambulance Transport Benefit (1 of 4)

- Under the AFS, Medicare Part B covers ground (land and water) and air ambulance transport services furnished to a Medicare beneficiary that meet the following requirements:
 - There is medically necessary transportation of the beneficiary to the nearest appropriate facility that can treat the patient's condition and any other methods of transportation are contraindicated, meaning that traveling to the destination by any other means would endanger the health of the beneficiary.
 - The beneficiary's condition must require both the ambulance transportation itself and the level of service provided in order for the billed service to be considered medically necessary.
- Appropriate destinations include: hospital; critical access hospital (CAH); rural emergency hospital (REH) effective 1/1/23; skilled nursing facility (SNF); beneficiary's home; and dialysis facility for an end stage renal disease (ESRD) patient who requires dialysis.

Overview of Ambulance Transport Benefit (2 of 4)

- The Medicare payment for an ambulance transport is the lower of the actual billed amount or the AFS amount. Medicare Part B will pay for 80% of the approved amount with a 20% deductible. Payment rates are available at: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AmbulanceFeeSchedule/afspuf>.
- Medicare fee-for-service (FFS) program spending for ambulance services in 2020 (not including cost sharing paid by beneficiaries) was \$4.1 billion, or about 1 percent of total Medicare FFS spending, and approximately 10 percent of all Medicare FFS beneficiaries used ambulance services. (MedPAC)

Overview of Ambulance Transport Benefit (3 of 4)

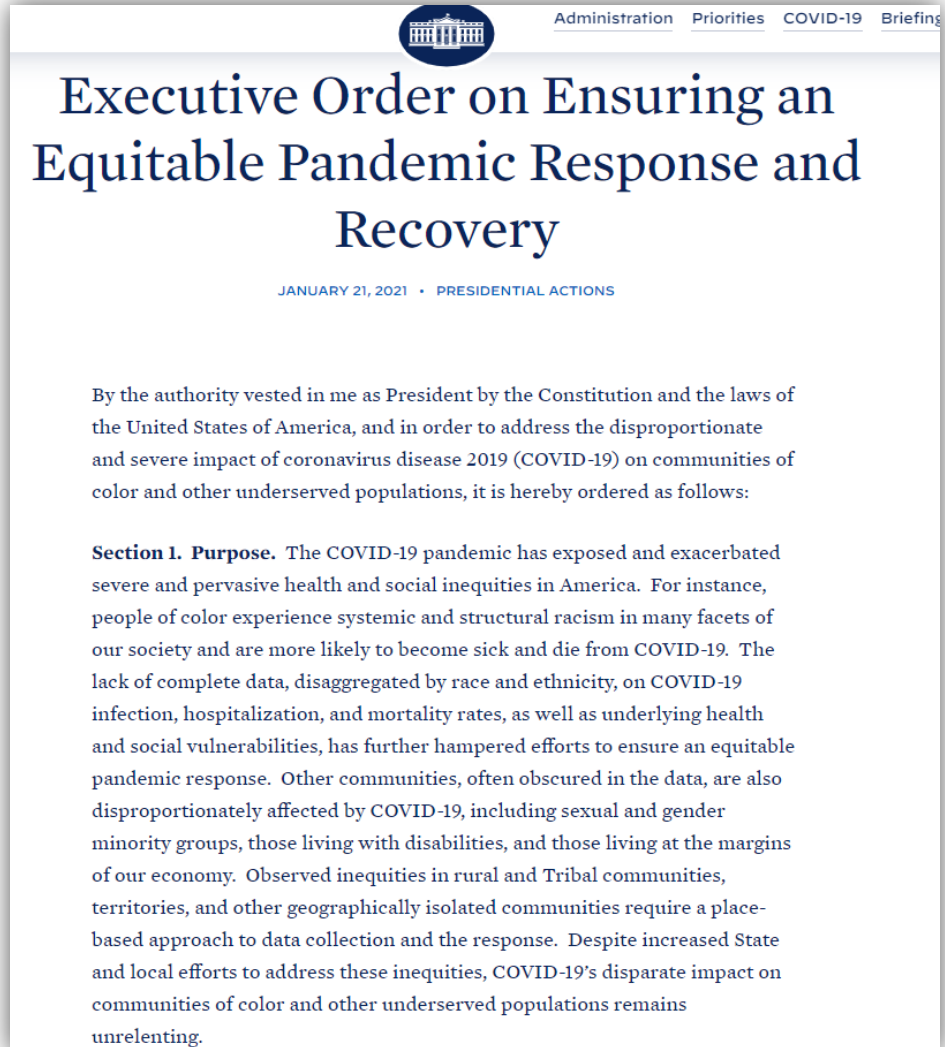
- The AFS amount is based on the level of service furnished and includes a base payment, a separate payment for mileage to the nearest appropriate facility and a geographic adjustment factor (GAF). To note there are 7 levels of services for ground ambulance services and 2 levels for air ambulance services.
- The AFS also incorporates two permanent add-on payments (rural ground and rural air ambulance transports) and three temporary add-on payments (ground ambulance transports) to the base rate and/or mileage rate.
- The three temporary add-on payments (most recent citation: section 4103 of the Consolidated Appropriations Act, 2023) include:
 - 3 percent increase to the base and mileage rate for ground ambulance transports that originate in rural areas,
 - 2 percent increase to the base and mileage rate for ground ambulance transports that originate in urban areas; and
 - 22.6 percent increase in the base rate for ground ambulance transports that originate in “super rural” areas.
- The three temporary add-on payments are effective through December 31, 2024.

Overview of Ambulance Transport Benefit (4 of 4)

- Mandatory Assignment – ambulance providers and suppliers must accept Medicare allowed charge as payment in full. (42 CFR §414.610 (b))
- CMS does not have the statutory requirement to rebase the rates.
- AFS base rates and mileage base rates are updated annually by an ambulance inflation factor (AIF): Consumer Price Index for All Urban Consumers (CPI-U) – June over June of the previous year (CPI-U reduced by Multi-Factor Productivity (MFP). The CPI-U is reported by the U.S. Bureau of Labor Statistics (website: <http://www.bls.gov/news.release/pdf/cpi.pdf>) and the MFP is determined by CMS' Office of the Actuary (OACT).

Health Equity: An Administration Priority

- On January 21st, the COVID-19 Health Equity Task Force was established by Executive Order 13995, *Ensuring an Equitable Pandemic Response and Recovery* to address the disproportionate and severe impact of coronavirus disease 2019 (COVID-19) on communities of color and other underserved populations



COVID-19 PHE Flexibilities

1) To provide ground ambulance providers and suppliers the flexibility to furnish medically necessary emergency and non-emergency ambulance transports for beneficiaries during the PHE for the COVID-19 pandemic, we are temporarily expanding the list of allowable destinations for ground ambulance transports. During the COVID-19 PHE, a covered destination for a ground ambulance transport may include any destination that is equipped to treat the condition of the patient in a manner consistent with state and local Emergency Medical Services (EMS) protocols where the services will be furnished. These destinations may include but are not limited to: any location that is an alternative site determined to be part of a hospital, CAH or SNF; community mental health centers; federally qualified health centers; rural health clinics; physician's offices; urgent care facilities; ambulatory surgical centers; any location furnishing dialysis services outside of the ESRD facility when an ESRD facility is not available; and the beneficiary's home. There must be a medically necessary ground ambulance transport of a patient in order for the ambulance service to be covered.

2) Treatment in place is covered during the COVID-19 PHE under certain criteria according to section 9832 of the American Rescue Plan Act of 2021. Copy of FAQs can be found at:
<https://www.cms.gov/files/document/03092020-covid-19-faqs-508.pdf>.

Note: These flexibilities will end when the COVID-19 PHE ends.

Medicare Ground Ambulance Data Collection System (GADCS)

- Section 50203(b) of the Bipartisan Budget Act (BBA) of 2018 (Public Law 115-123) added paragraph (17) to section 1834 (l) of the Social Security Act. This section requires the Secretary to collect cost, revenue, utilization, and other information determined appropriate by the Secretary from providers and suppliers of ground ambulance services.
- In the CY 2020 Physician Fee Schedule (PFS) final rule (84 FR 62863 through 629897), CMS finalized a data collection system that collects detailed information on ground ambulance provider and supplier characteristics including service areas, service volume, costs, and revenue through a data collection instrument, commonly referred to as the Medicare Ground Ambulance Data Collection Instrument, via a web-based system.
- CMS also finalized its proposal to select four consecutive representative samples of ground ambulance organizations in the CY 2020 PFS final rule (84 FR 62893). CMS used a stratified random sampling approach to ensure each of the annual samples was representative of the broader ground ambulance industry on key organizational characteristics. Each of the four samples covered 25% of eligible ground ambulance organizations, and an individual ground ambulance organization could not be sampled more than once across the four samples.
- The reported information will be provided to MedPAC which is required to submit a report to Congress on the adequacy of Medicare payment rates for ground ambulance services and geographic variations in the cost of furnishing such services. MedPAC is an independent federal body established by the Balanced Budget Act of 1997 (P.L. 105-33) to advise the U.S. Congress on issues affecting the Medicare program.
- Failure to sufficiently submit the required information will result in a 10 percent reduction to payments under the AFS for one year, unless a hardship exemption has been granted or a successful informal review.

GADCS Process

Step 1

CMS selects and notifies participants

Sent by your Medicare Administrative Contractor (MAC)

Step 2

Participants provide initial information

Within 30 days of receipt (contact information and data collection period start date)

Step 3

Participants **collect** information

Over a 12-month data collection period (calendar year or your fiscal year)

Step 4

Users register and link to web-based system

Prior to reporting (registration will open just prior to the start of the first data reporting periods)

Step 5

Participants **report** information

Over a 5-month data reporting period (starting right after the end of your data collection period)

Step 6

Participants without a sufficient response notified

After the end of organizations' data reporting periods

MedPAC analysis and report to Congress

References

Ambulances Services Center website- <https://www.cms.gov/Center/Provider-Type/Ambulances-Services-Center.html>

AFS Final Rule - Federal Register, February 27, 2002 (67 FR 9100)

Adoption of New AFS Geographic Standards, Final Rule - Federal Register, December 1, 2006 (71 FR 69713-69716, 69773-69781)

Establishment of the Medicare Ground Ambulance Data Collection System Final Rule – Federal Register, November 15, 2019 (84 FR 62863)

Medicare Benefit Policy Manual, Chapter 10 (Publication 100-02)

Medicare Claims Processing Manual, Chapter 15 (Publication 100-04)

42 Code of Federal Regulations (CFR):

§410.40	Coverage of Ambulance Services
§410.41	Requirements for Ambulance Suppliers
§414.601	Purpose
§414.605	Definitions
§414.610	Basis of Payment
§414.626	Data reporting by ground ambulance organizations

Thank you!

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