

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-04 Medicare Claims Processing</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 4017</b>	<b>Date: April 6, 2018</b>
	<b>Change Request 10549</b>

**SUBJECT: Increased Ambulance Payment Reduction for Non-Emergency Basic Life Support (BLS) Transports to and from Renal Dialysis Facilities**

**I. SUMMARY OF CHANGES:** This Change Request (CR) provides instructions regarding Section 53108 of the Bipartisan Budget Act of 2018, that requires transports occurring on or after October 1, 2018, fee schedule payments for non-emergency basic life support (BLS) transports of individuals with end-stage renal disease (ESRD) to and from renal dialysis treatment to be reduced by 23%. The payment reduction affects transports to and from both hospital-based and freestanding renal dialysis treatment facilities for dialysis services provided on a non-emergency basis.

**EFFECTIVE DATE: October 1, 2018**

*\*Unless otherwise specified, the effective date is the date of service.*

**IMPLEMENTATION DATE: October 1, 2018**

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)**

R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
R	15/20.6/Payment for Non-Emergency BLS Trips to/from ESRD Facilities

**III. FUNDING:**

**For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**IV. ATTACHMENTS:**

**Business Requirements  
Manual Instruction**

# Attachment - Business Requirements

Pub. 100-04	Transmittal: 4017	Date: April 6, 2018	Change Request: 10549
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**SUBJECT: Increased Ambulance Payment Reduction for Non-Emergency Basic Life Support (BLS) Transports to and from Renal Dialysis Facilities**

**EFFECTIVE DATE: October 1, 2018**

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## I. GENERAL INFORMATION

**A. Background:** Change Request (CR) 8269, issued May 10, 2013, implemented Section 637 of the American Taxpayer Relief Act of 2012, which, for transports occurring on and after October 1, 2013, required a 10% reduction in fee schedule payments for non-emergency basic life support (BLS) transports of beneficiaries with end-stage renal disease (ESRD) to and from renal dialysis treatment. The payment reduction affected transports to and from both hospital-based and freestanding renal dialysis treatment facilities for dialysis services provided on a non-emergency basis. Non-emergency BLS ground transports are identified by Healthcare Common Procedure Coding System (HCPCS) code A0428. Ambulance transports to and from renal dialysis treatment are identified by origin/destination modifier codes “G” (hospital-based ESRD) and “J” (freestanding ESRD facility) in either the origin or destination position of an ambulance modifier.

On February 9, 2018, the Bipartisan Budget Act of 2018 was signed into law. Section 53108 of the Bipartisan Budget Act of 2018 requires that, effective for non-emergency basic life support (BLS) transports of beneficiaries with end-stage renal disease (ESRD) to and from renal dialysis treatment occurring on or after October 1, 2018, the reduction for fee schedule payments be increased to 23%.

Payment for ambulance transports, including items and services furnished in association with such transports, are based on the Ambulance Fee Schedule (AFS) and includes a base rate payment plus a separate payment for mileage. The increased payment reduction for non-emergency BLS transports to and from renal dialysis treatment applies to both the base rate and the mileage reimbursement.

**B. Policy:** Effective for claims with dates of service on and after October 1, 2018, payment for non-emergency BLS transports to and from renal dialysis treatment facilities will be reduced by 23%. The reduced rate will be calculated after the normal payment rate (including any applicable add-on payments) is calculated and will be applied to the base rate for non-emergency BLS transports (identified by HCPCS code A0428 when billed with the modifier codes indicated below) and the associated mileage (identified by HCPCS code A0425). Payment for emergency transports and non-emergency BLS transports to other destinations (rural and urban) will remain unchanged. The AFS will also remain unchanged.

For ambulance services, suppliers and hospital-based ambulance providers must report an accurate origin and destination modifier for each ambulance trip provided. Origin and destination modifiers used for ambulance services are created by combining two alpha characters. Each alpha character, with the exception of “X”, represents an origin code or a destination code. The pair of alpha codes creates a modifier. The first position alpha code equals origin; the second position alpha code equals destination. The reduction will be applied on claim lines containing HCPCS code A0428 with modifier code “G” or “J” in either the first position (origin code) or second position (destination code) within the two-digit ambulance modifier code and HCPCS code A0425, which reflects the mileage associated with the transport.

**Note:** The 23% reduction applies to beneficiaries with ESRD that are receiving a non-emergency BLS transport to and from renal dialysis treatment. While it is possible that a beneficiary who is not diagnosed with ESRD will require routine transport to and from renal dialysis treatment, it is highly unlikely. However, contractors are reminded that they have discretion to override or reverse the reduction on appeal if they deem it appropriate based on supporting documentation.

## II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility									
		A/B MAC			D M E M A C	Shared-System Maintainers				Other	
		A	B	H H H		F I S S	M C S	V M S	C W F		
10549.1	Contractors shall keep all existing edits and logic (implemented previously via CMS CR 8269) that currently apply to the reduced AFS payment rates in place; however, effective for claims with dates of service on or after October 1, 2018, contractors shall increase the reduction from 10% to 23%.		X			X	X				
10549.2	Contractors shall apply the 23% reduction to claim lines containing HCPCS code A0425 and A0428 with an origin/destination modifier that contains "G" or "J" in any position.		X			X	X				
10549.3	Contractors shall continue using the claim adjustment reason code, group code and Medicare Summary Notice messages that are currently used for the reduced AFS payment methodology.	X	X								

## III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	C E D I
		A	B	H H H		
10549.4	MLN Article: A provider education article related to this instruction will be available at <a href="http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/">http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/</a> shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their	X	X			

Number	Requirement	Responsibility				
		A/B MAC			D M E	C E D I
		A	B	H H H		
	Web sites and include information about it in a listserv message within 5 business days after receipt of the notification from CMS announcing the availability of the article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.					

#### IV. SUPPORTING INFORMATION

**Section A: Recommendations and supporting information associated with listed requirements: N/A**

*"Should" denotes a recommendation.*

X-Ref Requirement Number	Recommendations or other supporting information: N/A

**Section B: All other recommendations and supporting information: N/A**

#### V. CONTACTS

**Pre-Implementation Contact(s):** Teira Canty, teira.canty@cms.hhs.gov , Felicia Rowe, felicia.rowe@cms.hhs.gov

**Post-Implementation Contact(s):** Contact your Contracting Officer's Representative (COR).

#### VI. FUNDING

**Section A: For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**ATTACHMENTS: 0**

## **20.6 - Payment for Non-Emergency BLS Trips to/from ESRD Facilities**

*(Rev. 4017; Issued: 04-06-18; Effective: 10-01-18; Implementation: 10-01-18)*

Section 637 of the American Taxpayer Relief Act of 2012 requires that, effective for transports occurring on and after October 1, 2013, fee schedule payments for non-emergency basic life support (BLS) transports of individuals with end-stage renal disease (ESRD) to and from renal dialysis treatment be reduced by 10%. The payment reduction affects transports (base rate and mileage) to and from hospital-based and freestanding renal dialysis treatment facilities for dialysis services provided on a non-emergency basis. Non-emergency BLS ground transports are identified by Healthcare Common Procedure Code System (HCPCS) code A0428. Ambulance transports to and from renal dialysis treatment are identified by modifier codes “G” (hospital-based ESRD) and “J” (freestanding ESRD facility) in either the first position (origin code) or second position (destination code) within the two-digit ambulance modifier. (See Section 30 (A) for information regarding modifiers specific to ambulance.)

Effective for claims with dates of service on and after October 1, 2013 *through September 30, 2018*, the 10% reduction will be calculated and applied to HCPCS code A0428 when billed with modifier code “G” or “J”. The reduction will also be applied to any mileage billed in association with a non-emergency transport of a beneficiary with ESRD to and from renal dialysis treatment. BLS mileage is identified by HCPCS code A0425.

The 10% reduction will be taken after calculation of the normal fee schedule payment amount, including any add-on or bonus payments, and will apply to transports in rural and urban areas as well as areas designated as “super rural”.

Payment for emergency transports is not affected by this reduction. Payment for non-emergency BLS transports to other destinations is also not affected. This reduction does not affect or change the Ambulance Fee Schedule.

Note: The 10% reduction applies to beneficiaries with ESRD that are receiving non-emergency BLS transport to and from renal dialysis treatment. While it is possible that a beneficiary who is not diagnosed with ESRD will require routine transport to and from renal dialysis treatment, it is highly unlikely. However, contractors have discretion to override or reverse the reduction on appeal if they deem it appropriate based on supporting documentation.

*Section 53108 of the Bipartisan Budget Act of 2018 increased the amount of the reduction described above to 23% for transports occurring on and after October 1, 2018.*