



Ambulance Inflation Factor (AIF) for Calendar Year (CY) 2009 – JA6113

Related CR Release Date: October 3, 2008

Date Job Aid Revised: October 23, 2008

Effective Date: January 1, 2009

Implementation Date: January 5, 2009

Key Words

MM6113, CR6113, R1607CP, AIF, Ambulance, Inflation, Factor

Contractors Affected

- Medicare Carriers
- Fiscal Intermediaries (FIs)
- Part A/B Medicare Administrative Contractors (A/B MACs)

Provider Types Affected

Providers and suppliers of ambulance services who bill Medicare Carriers, FIs, or A/B MACs for those services



Change Request (CR) 6113 provides the AIF for CY2009, which is 5.0 percent.

Provider Needs to Know...

- The national fee schedule for ambulance services was phased in over a five-year transition period beginning April 1, 2002. Further, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 established that the ground ambulance base rate (for services furnished during the period July 1, 2004 through December 31, 2009) is subject to a "floor amount."
- Payment will not be less than this "floor amount," which is determined by establishing nine fee schedules (one for each of the nine census divisions) and then using the same methodology that was used to establish the national fee schedule.
- **For ground ambulance trips of over 50 miles that providers furnish on or after July 1, 2004, and before January 1, 2009** (regardless of where the transportation originates), a 25 percent bonus "per mile" payment will be added to the existing "per mile" reimbursement rate for all miles above the initial 50 miles.

- This 25 percent increase in the “per mile” payment rate for trips of 51 miles or greater will stop on December 31, 2008. Effective for dates of service of January 1, 2009, and later, services paid under the ambulance fee schedule **will not** include this temporary increase.
 - Providers can find more information about this temporary 25 percent “per mile” rate increase for ambulance trips of 51 miles or greater in MLN Matters article MM3099 (MMA-Implementation of Section 414 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003) that was released on June 25, 2004. The article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3099.pdf> on the Centers for Medicare & Medicaid website.
 - Either the national fee schedule or regional fee schedule applies for all providers and suppliers in the census division, depending on the payment amount that the regional methodology yields.
 - The national fee schedule amount applies when the regional fee schedule methodology results in an amount (for a given census division) that is lower than the national ground base rate.
 - Conversely, the regional fee schedule applies when its methodology results in an amount (for the census division) that is greater than the national ground base rate.
 - When the regional fee schedule is used, that census division’s fee schedule portion of the base rate is equal to a blend of the national rate and the regional rate.
 - For CY2009, this blend is 20 percent regional ground base rate and 80 percent national ground base rate. Part B coinsurance and deductible requirements apply.
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Background

- Section 1834(l) (3) (B) of the Social Security Act (the Act) provides the basis for updating payment limits that carriers, FIs, and A/B MACs use to determine how much to pay for claims submitted for ambulance services.
 - Specifically, this section of the Act provides for a 2009 payment update that is equal to the percentage increase in the urban consumer price index, for the 12-month period ending with June of the previous year. The resulting percentage is referred to as the AIF.
 - The following displays the AIF for CY2009 and for the previous 6 years:
 - CY2009 – 5%
 - CY2008 – 2.7%
 - CY2007 – 4.3%
 - CY2006 – 2.5%
 - CY2005 – 3.3%
 - CY2004 – 2.1%
 - CY2003 – 1.1%.
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**Operational
Impact**

The 2009 ambulance fee schedule file will be available on November 6, 2008, after 8:00 PM EST and downloaded.

**Reference
Materials**

The related MLN Matters article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6113.pdf> on the CMS website.

The official instruction (CR6113) regarding this change may be viewed at <http://www.cms.hhs.gov/Transmittals/downloads/R1607CP.pdf> on the CMS website.
