



**News Flash** – If you are a Medicare Fee-For-Service physician, provider, or supplier submitting claims to Medicare for payment, this is very important information you need to know. Effective immediately, any Medicare Fee-For-Service claim with a date of service on or after Jan 1, 2010, must be received by your Medicare contractor no later than one calendar year (12 months) from the claim's date of service – or Medicare will deny the claim. For additional information, see MLN Matters® Articles MM6960 at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM6960.pdf> and MM7080 at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM7080.pdf> on the Centers for Medicare & Medicaid Services (CMS) website. You can also listen to a podcast on this subject by visiting <http://www.cms.gov/Outreach-and-Education/Outreach/CMSFeeds/index.html> on the same site.

MLN Matters® Number: MM7042

Related Change Request (CR) #: 7042

Related CR Release Date: November 19, 2010

Effective Date: January 1, 2011

Related CR Transmittal #: R2104CP

Implementation Date: January 3, 2011

**Note:** This article was updated on December 7, 2012, to reflect current Web addresses. All other information remains unchanged.

## Ambulance Inflation Factor (AIF) for CY 2011 and Productivity Adjustment

### Provider Types Affected

This article is for providers and suppliers of ambulance services who bill Medicare carriers, fiscal intermediaries (FIs), or Part A/B Medicare Administrative Contractors (A/B MACs) for those services.

### Provider Action Needed

Change Request (CR) 7042, from which this article is taken, provides the ambulance inflation factor (AIF) for CY 2011. **The AIF for CY 2011 is -0.1%.** CR7042 also includes updates to Chapter 15, section 20.4 of the Medicare Benefit Policy Manual to incorporate a multi-factor productivity adjustment. Be sure billing staff are aware of the changes.

#### Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

## 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 you for the claims that you submit for ambulance services. Remember that Part B coinsurance and deductible requirements apply to these services.

Specifically, this section of the Act provides for a 2011 payment update that is equal to the percentage increase in the urban consumer price index (CPI-U), for the 12-month period ending with June of the previous year. Section 3401 of the Affordable Care Act (ACA) amended Section 1834(l)(3) of the Act to apply a productivity adjustment to this update equal to the 10-year moving average of changes in economy-wide private nonfarm business multi-factor productivity beginning January 1, 2011. The resulting update percentage is referred to as the AIF.

The following table displays the AIF for CY 2011 and for the previous 8 years.

Ambulance Inflation Factor by CY	
2011	-0.1%
2010	0.0%
2009	5.0%
2008	2.7%
2007	4.3%
2006	2.5%
2005	3.3%
2004	2.1%
2003	1.1%

## Additional Information

The official instruction, CR 7042, issued to your carrier, FI, and/or A/B MAC regarding this change may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R2104CP.pdf> on the Centers for Medicare & Medicaid Services (CMS) website.

If you have any questions, please contact your carrier, FI, or A/B MAC at their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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