

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



News Flash –

Reminder --- Products from the Medicare Learning Network® (MLN)

- [“Health Insurance Portability and Accountability Act \(HIPAA\) Electronic Data Interchange \(EDI\) Standards,”](#) Web Based Training, ICN C00140

MLN Matters® Number: MM8156

Related Change Request (CR) #: CR 8156

Related CR Release Date: December 21, 2012

Effective Date: January 1, 2013

Related CR Transmittal #: R2620CP

Implementation Date: January 7, 2013

Ambulance Inflation Factor for CY 2013 and Productivity Adjustment

Provider Types Affected

This MLN Matters® Article is intended 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 provided to Medicare beneficiaries.

Provider Action Needed

The Centers for Medicare & Medicaid Services (CMS) issued Change Request (CR) 8156 to alert providers of the updates to the Ambulance Inflation Factor (AIF) for Calendar Year (CY) 2013 so that Medicare Carriers, FIs, and A/B MACs can accurately determine the payment amounts for ambulance services. The AIF for CY 2013 is 0.8 percent. Please ensure that your billing staffs are aware of this 2013 AIF.

Disclaimer

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Background

Section 1834(l) (3) (B) of the Social Security Act (the Act) provides the basis for updating the payment limits that carriers, FIs, and A/B MACs use to pay for the claims that you submit for ambulance services. Specifically, this section of the Act provides for a yearly 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 prior year.

On March 23, 2010, Section 3401 of the Affordable Care Act amended Section 1834(l)(3) of the Act to require that specific Prospective Payment System and Fee Schedule update factors be adjusted by changes in economy-wide productivity. The statute defines the productivity adjustment to be equal to the 10-year moving average of changes in annual economy-wide private nonfarm business Multi-Factor Productivity (MFP) (as projected by the Secretary for the 10-year period ending with the applicable fiscal year, cost reporting period, or other annual period). The MFP for Calendar Year (CY) 2013 is 0.90 percent and the CPI-U for 2013 is 1.70 percent. According to the Affordable Care Act, the CPI-U is reduced by the MFP, even if this reduction results in a negative AIF update. Therefore, the AIF for CY 2013 is 0.80 percent.

Note: Part B coinsurance and deductible requirements apply to payments under the ambulance fee schedule.

Additional Information

You can find the official instruction, CR8156, issued to your carrier, FI, or A/B MAC by visiting <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R2620CP.pdf> on the 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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