



Ambulance Inflation Factor for CY 2018 and Productivity Adjustment

MLN Matters Number: MM10323

Related Change Request (CR) Number: CR 10323

Related CR Release Date: October 27, 2017

Effective Date: January 1, 2018

Related CR Transmittal Number: R3893CP

Implementation Date: January 2, 2018

PROVIDER TYPES AFFECTED

This MLN Matters® Article is intended for ambulance providers and suppliers submitting claims to Medicare Administrative Contractors (MACs) for Medicare Part B ambulance services provided to Medicare beneficiaries.

PROVIDER ACTION NEEDED

Change Request (CR) 10323 furnishes the Calendar Year (CY) 2018 Ambulance Inflation Factor (AIF) for determining the payment limit for ambulance services. The AIF for CY 2018 is 1.1 percent. Make sure that your billing staffs are aware of this change.

BACKGROUND

CR10323 furnishes the Calendar Year (CY) 2018 Ambulance Inflation Factor (AIF) for determining the payment limit for ambulance services required by Section 1834(l)(3)(B) of the Social Security Act (the Act) which is available at https://www.ssa.gov/OP_Home/ssact/title18/1834.htm.

Section 1834(l)(3)(B) of the Act provides the basis for an update to the payment limits for ambulance services that is equal to the percentage increase in the Consumer Price Index for all Urban Consumers (CPI-U) for the 12-month period ending with June of the previous year. Section 3401 of the Affordable Care Act 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 (MFP) beginning January 1, 2011. The resulting update percentage is referred to as the AIF.

The MFP for Calendar Year (CY) 2018 is 0.5 percent and the CPI-U for 2018 is 1.6 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 2018 is 1.1 percent.

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

ADDITIONAL INFORMATION

The official instruction, CR10323, issued to your MAC regarding this change is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2017Downloads/R3893CP.pdf>.

If you have any questions, please contact your MAC at their toll-free number. That number is available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Review-Contractor-Directory-Interactive-Map/>.

DOCUMENT HISTORY

Date of Change	Description
October 27, 2017	Initial article released

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