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Related Change Request (CR) #: 4217

Related CR Release Date: December 30, 2005

Effective Date: January 1, 2006

Related CR Transmittal #: R799CP

Implementation Date: January 3, 2006

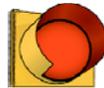
Reminder Notice of the Implementation of the Ambulance Transition Schedule

Note: This article was updated on February 25, 2013, to reflect current Web addresses. All other information remains unchanged.

Provider Types Affected

Ambulance providers and suppliers

Provider Action Needed



STOP – Impact to You

During the current calendar year (CY) 2005, year four of a five-year transition to the ambulance fee schedule implementation, payment for ambulance services is based on a blend of 80 percent of the fee schedule amount plus 20 percent of the provider's reasonable cost or the supplier's reasonable charge for the service. **As of January 1, 2006, the Medicare allowed amount is based solely on the ambulance fee schedule (100%) for ambulance services furnished and mileage incurred on or after January 1, 2006.**

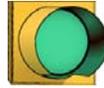


CAUTION – What You Need to Know

The fee schedule applies to **ALL** ambulance services furnished as a benefit under Medicare Part B. Ambulance providers and suppliers are required to accept assignment and must accept Medicare allowed charges as payment in full. They may not bill or collect from the beneficiary any amount other than an unmet Part B deductible and the Part B coinsurance amounts.

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GO – What You Need to Do

Be aware that the next phase of the fee schedule payment process goes into effect on January 1, 2006 and adjust accounts receivable processes as necessary.

Background

Section 4531 (b) (2) of the Balanced Budget Act (BBA) of 1997 added a new section 1834 (l) to the Social Security Act, which mandates implementation of the national fee schedule for ambulance services furnished as a benefit under Medicare Part B. The fee schedule applies to all ambulance services, including volunteer, municipal, private, independent, and institutional providers, i.e., hospitals, critical access hospitals and skilled nursing facilities. Section 1834 (l) also requires mandatory assignment for all ambulance services. Ambulance providers and suppliers must accept the Medicare allowed charge as payment in full and not bill or collect from the beneficiary any amount other than any unmet Part B deductible and the Part B coinsurance amounts. Effective January 1, 2006, the full fee schedule comprises the entire Medicare allowed amount and no portion of the provider's reasonable cost or the supplier's reasonable charge will be considered.

Providers and suppliers are reminded that the ambulance fee schedule was implemented on a five-year transition period and that transition period is complete as of January 1, 2006.

Year	Fee Schedule Percentage	Cost/Charge Percentage
Year 1 (4/1/02 – 12/31/02)	20%	80%
Year 2 (CY 2003)	40%	60%
Year 3 (CY 2004)	60%	40%
Year 4 (CY 2005)	80%	20%
Year 5 (CY 2006 and thereafter)	100%	0%

Note also that temporary Q codes (Q3019 (ALS Vehicle Used, Emergency Transport, No ALS Services Furnished) and Q0320 (ALS Vehicle Used, Non-Emergency Transport, NO ALS Level Services Furnished)) and HCPCS code A0800 (Ambulance Night Differential Charges) may no longer be used for claims with dates of service on or after January 1, 2006. These codes were only for use during the transition period for the fee schedule.

Additional Information

Suppliers should also note that Medicare carriers and intermediaries will deny claims for separately billed supplies and ancillary services furnished during an

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ambulance transport on or after January 1, 2006. Supplies and ancillary services are considered part of the fee schedule base rate and are not separately billable after December 31, 2005.

The official instruction issued to your carrier/intermediary regarding this change may be found by going to <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R799CP.pdf> on the CMS website.

For additional information relating to this issue, please refer to your local carrier/intermediary. To find that toll-free phone number, go to <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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