

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



News Flash –

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- [“Medicare Remit Easy Print Software,”](#) Fact Sheet, ICN 006740, Downloadable only.

MLN Matters® Number: MM8269

Related Change Request (CR) #: CR 8269

Related CR Release Date: May 10, 2013

Effective Date: October 1, 2013

Related CR Transmittal #: R2703CP

Implementation Date: October 7, 2013

## **Ambulance Payment Reduction for Non-Emergency Basic Life Support (BLS) Transports to and from Renal Dialysis Facilities**

### **Provider Types Affected**

This MLN Matters® Article is intended for providers and suppliers submitting claims to Medicare contractors (Fiscal Intermediaries (FIs), carriers, and A/B Medicare Administrative Contractors (A/B MACs)) for services to Medicare beneficiaries.

### **Provider Action Needed**

This article is based on Change Request (CR) 8269 which informs Medicare contractors about changes to the Ambulance Fee Schedule (AFS). Effective for claims with dates of service on and after October 1, 2013, payment for non-emergency Basic Life Support (BLS) transports of individuals with End-Stage Renal Disease (ESRD) to and from renal dialysis treatment facilities will be reduced by 10%. The reduced rate will be calculated and applied to Healthcare Common Procedure Code System (HCPCS) code A0428 when billed with destination modifier code “G” or “J”, and the associated mileage, represented by HCPCS code A0425. A claim adjustment reason code of 45 (Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement) and group code “CO” (Contractual Obligation) will be on the remittance advice notice for claims for which a Medicare

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contractor has applied the reduced AFS methodology. Make sure that your billing staffs are aware of these changes.

## Background

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Section 637 of the American Taxpayer Relief Act of 2012 requires that, effective for transports occurring on and after October 1, 2013, fee schedule payments for non-emergency BLS transports of individuals with End-Stage Renal Disease (ESRD) to and from renal dialysis treatment be reduced by 10%. The payment reduction affects transports to and from both hospital-based and freestanding renal dialysis treatment facilities for dialysis services provided on a non-emergency basis. Non-emergency BLS ground transports are identified by HCPCS code A0428. Ambulance transports to and from renal dialysis treatment are identified by origin/destination modifier codes "G" (hospital-based ESRD) and "J" (freestanding ESRD facility) in either the origin or destination position of an ambulance modifier.

Payment for ambulance transports, including items and services furnished in association with such transports, are based on the AFS and includes a base rate payment plus a separate payment for mileage. The payment reduction for non-emergency BLS transports to and from renal dialysis treatment applies to both the base rate and the mileage reimbursement. The payment reduction will be applied to HCPCS code A0425 when billed with HCPCS code A0428 and origin/destination modifier code "G" or "J" is present.

For ambulance services, suppliers and hospital-based ambulance providers must report an accurate origin and destination modifier for each ambulance trip provided. Origin and destination modifiers used for ambulance services are created by combining two alpha characters. Each alpha character, with the exception of "X", represents an origin code or a destination code. The pair of alpha codes creates a modifier. The first position alpha code equals origin; the second position alpha code equals destination. The reduction will be applied on claim lines containing HCPCS code A0428 with modifier code "G" or "J" in either the first position (origin code) or second position (destination code) within the two-digit ambulance modifier code and HCPCS code A0425, which reflects the mileage associated with the transport.

## Additional Information

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The official instruction, CR8269 issued to your FI, carrier, and A/B MAC regarding this change may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R2703CP.pdf> on the CMS website.

If you have any questions, please contact your FI, carrier, 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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