

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

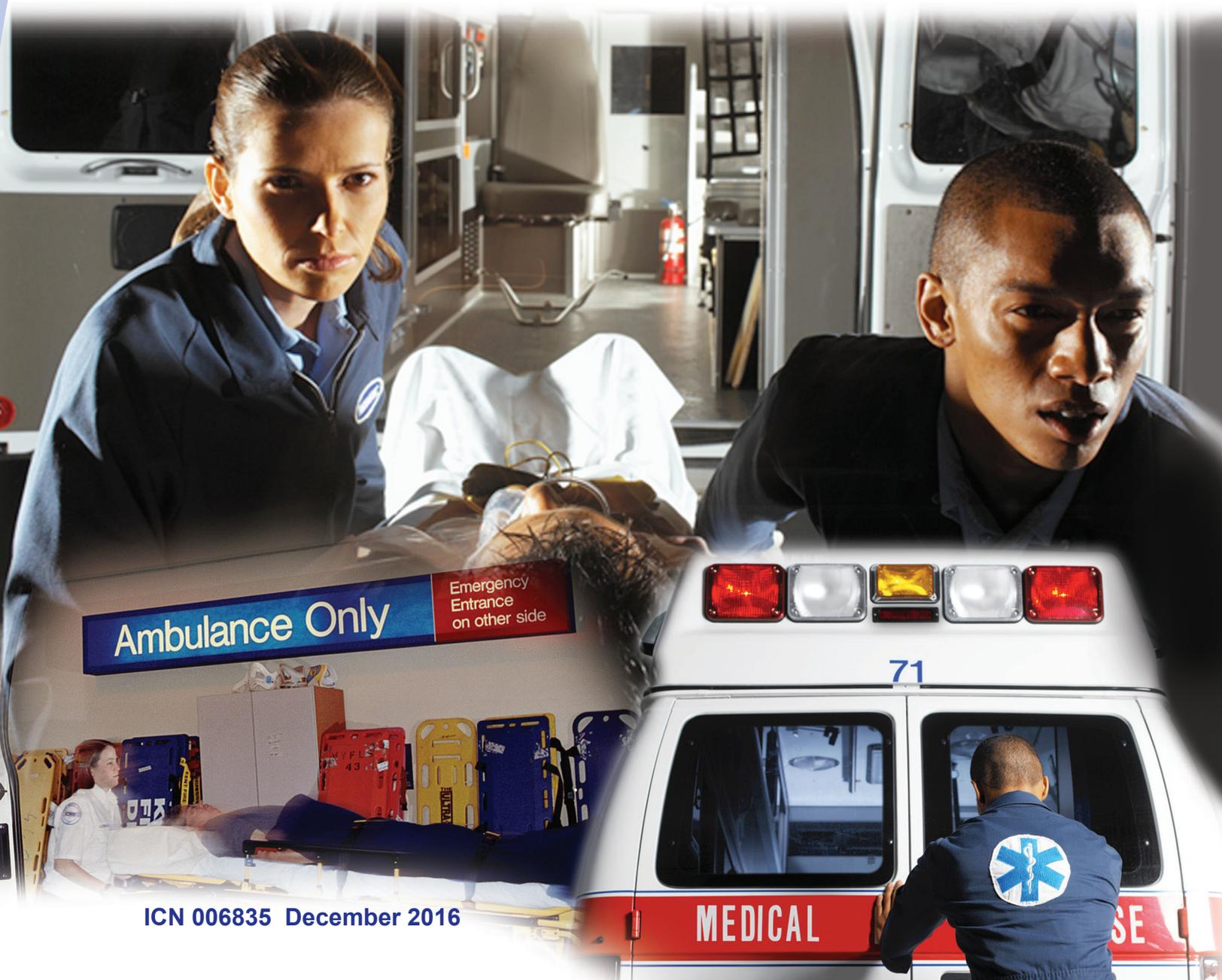


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# Ambulance Fee Schedule

PAYMENT SYSTEM SERIES



ICN 006835 December 2016



**Please note:** The information in this publication applies only to the Medicare Fee-For-Service Program (also known as Original Medicare).

The Hyperlink Table, at the end of this document, provides the complete URL for each hyperlink.

**L**earn about these Ambulance Fee Schedule (FS) topics:

- ❖ Background
- ❖ The Medicare Part B ambulance transport benefit
- ❖ Ambulance providers and suppliers
- ❖ Advance Beneficiary Notice of Noncoverage (ABN)
- ❖ Payments
- ❖ How payment rates are set
- ❖ Updates to the Ambulance FS
- ❖ Resources

When “you” is used in this publication, we are referring to ambulance providers and suppliers.

## Background

Section 4531(b)(2) of the Balanced Budget Act of 1997 added [Section 1834\(l\) to the Social Security Act](#) (the Act), which mandated the implementation of a national Ambulance FS for Medicare Part B ambulance transport claims with dates of service on or after April 1, 2002. The Ambulance FS applies to all ambulance transports.

Section 1834(l) of the Act also required mandatory assignment for all ambulance transports, which means you will be paid the Medicare-allowed amount as payment in full for your transports. In addition, you may bill or collect only any unmet Part B deductible and coinsurance amounts from the beneficiary.

## The Medicare Part B Ambulance Transport Benefit

The Medicare Part B ambulance transport benefit is a transport by an ambulance. Medicare may cover the transport when the use of any other method of transportation is contraindicated due to the beneficiary’s condition and these additional coverage requirements are met:

- 1) The transport is medically reasonable and necessary
- 2) A Medicare beneficiary is transported
- 3) The destination is local
- 4) The facility is appropriate

For more information about ground and air ambulance transport coverage requirements, refer to [Medicare Ambulance Transports](#).

## Ambulance Providers and Suppliers

An ambulance provider is a provider that owns and operates an ambulance transportation service as an adjunct to its institutionally based operations. The Ambulance FS applies to these providers:

- ❖ Hospitals
- ❖ Critical Access Hospitals (CAH)
- ❖ Skilled Nursing Facilities
- ❖ Comprehensive Outpatient Rehabilitation Facilities
- ❖ Home Health Agencies
- ❖ Hospice programs

An ambulance supplier is not owned or operated by a provider and is enrolled in Medicare as an independent ambulance supplier. The Ambulance FS applies to these suppliers:

- ❖ Volunteer fire and/or ambulance companies
- ❖ Local government ambulance companies
- ❖ Privately-owned and operated ambulance companies
- ❖ Independently-owned and operated ambulance companies

## ABN

You must give written notice to a Fee-For-Service (FFS) Medicare beneficiary before furnishing items or services usually covered by Medicare but are not expected to be paid in a specific instance, for certain reasons (for example, a ground ambulance transport is medically necessary, but the beneficiary insists on an air ambulance transport). For more information about the FFS ABN, [Form CMS-R-131](#), and additional requirements ambulance providers and suppliers must meet for issuance of an ABN, refer to Chapter 30, Section 50, of the [Medicare Claims Processing Manual](#).

## Payments

Medicare pays for an ambulance transport under Part A as a packaged service or under Part B as a separately billed service. If an ambulance transport is covered and payable under Part A, it will not be covered or payable under Part B.

Payment for ambulance transports under the Ambulance FS:

- ❖ Includes a base rate payment (level of service provided) plus a separate payment for mileage to the nearest appropriate facility
- ❖ Covers both the transport of the beneficiary to the nearest appropriate facility and all medically necessary covered items and services (such as oxygen, drugs, extra attendants, and

electrocardiogram testing) associated with the transport

- ❖ Precludes a separate payment for items and services furnished under the ambulance benefit

## How Payment Rates Are Set

The Ambulance FS was fully implemented on January 1, 2006. Each year, an update is applied to the payment limits for ambulance transports 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. Under the Affordable Care Act, [Section 1834\(l\)\(3\)\(B\) of the Act](#) was amended to apply a productivity adjustment to the update equal to the 10-year moving average of changes in economy-wide private nonfarm business multi-factor productivity (MFP) beginning on January 1, 2011. The resulting update percentage is called the Ambulance Inflation Factor (AIF).

## Ground Ambulance Transports

The total payment amount for ground ambulance providers and suppliers is based on 100 percent of the national Ambulance FS. Payments for ground ambulance transports include these elements:

- ❖ A nationally uniform base rate for all ground ambulance transports updated annually by the AIF
- ❖ A numeric value for ambulance services relative to the value of a base level ambulance service called a relative value unit is assigned to each level of ground ambulance service
- ❖ A geographic adjustment factor (GAF) equal to the non-facility practice expense (PE) portion of the geographic practice cost index (GPCI) for the Medicare Physician Fee Schedule for each Ambulance FS locality area
- ❖ A nationally uniform loaded mileage rate
- ❖ An additional amount for certain mileage for a rural point-of-pickup (POP)
- ❖ Additional payments to the base rate and/or mileage rate for certain specified temporary periods

## Air Ambulance Transports

The total payment amount for air ambulance providers and suppliers is based on 100 percent of the national Ambulance FS. Payments for air ambulance transports include these elements:

- ❖ A nationally uniform base rate for fixed wing and a nationally uniform base rate for rotary wing
- ❖ A GAF equal to the non-facility PE portion of the GPCI for each Ambulance FS locality area
- ❖ A nationally uniform loaded mileage rate for each type of air ambulance transport
- ❖ A rural adjustment to the base rate and mileage for transports furnished for a rural POP

## Updates to the Ambulance FS

For more information about Ambulance FS payment updates, refer to [Medicare Program; Revisions to Payment Policies under the Physician Fee Schedule and Other Revisions to Part B for CY 2016](#).

## Resources

This table provides Ambulance FS resource information.

### Ambulance FS Resources

For More Information About...	Resource
Ambulance FS	<a href="#">Ambulances Services Center</a> <a href="#">Ambulance Fee Schedule</a> <a href="#">Chapter 10, Medicare Benefit Policy Manual</a> (Publication 100-02) <a href="#">Chapter 15, Medicare Claims Processing Manual</a> (Publication 100-04)
Advance Beneficiary Notice of Noncoverage Forms	<a href="#">FFS ABN</a> <a href="#">Advance Beneficiary Notice of Noncoverage Interactive Tutorial</a>
All Available MLN Products	<a href="#">MLN Catalog</a>
Provider-Specific Medicare Information	<a href="#">MLN Guided Pathways: Provider Specific Medicare Resources</a>
Medicare Information for Beneficiaries	<a href="#">Medicare.gov</a>

## Hyperlink Table

Embedded Hyperlink	Complete URL
Section 1834(l) to the Social Security Act	<a href="https://www.ssa.gov/OP_Home/ssact/title18/1834.htm">https://www.ssa.gov/OP_Home/ssact/title18/1834.htm</a>
Medicare Ambulance Transports	<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/CMS1249521.html">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/CMS1249521.html</a>
Form CMS-R-131	<a href="https://www.cms.gov/Medicare/Medicare-General-Information/BNI/ABN.html">https://www.cms.gov/Medicare/Medicare-General-Information/BNI/ABN.html</a>
Medicare Claims Processing Manual	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c30.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c30.pdf</a>
Section 1834(l)(3)(B) of the Act	<a href="https://www.ssa.gov/OP_Home/ssact/title18/1834.htm">https://www.ssa.gov/OP_Home/ssact/title18/1834.htm</a>
Medicare Program; Revisions to Payment Policies under the Physician Fee Schedule and Other Revisions to Part B for CY 2016	<a href="https://s3.amazonaws.com/public-inspection.federalregister.gov/2015-28005.pdf">https://s3.amazonaws.com/public-inspection.federalregister.gov/2015-28005.pdf</a>
Ambulances Services Center	<a href="https://www.cms.gov/Center/Provider-Type/Ambulances-Services-Center.html">https://www.cms.gov/Center/Provider-Type/Ambulances-Services-Center.html</a>
Ambulance Fee Schedule	<a href="https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AmbulanceFeeSchedule">https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AmbulanceFeeSchedule</a>
Chapter 10, Medicare Benefit Policy Manual	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c10.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c10.pdf</a>
Chapter 15, Medicare Claims Processing Manual	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c15.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c15.pdf</a>
FFS ABN	<a href="https://www.cms.gov/Medicare/Medicare-General-Information/BNI/ABN.html">https://www.cms.gov/Medicare/Medicare-General-Information/BNI/ABN.html</a>
Advance Beneficiary Notice of Noncoverage Interactive Tutorial	<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/ICN909183.html">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications-Items/ICN909183.html</a>
MLN Catalog	<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/MLNCatalog.pdf">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/MLNCatalog.pdf</a>
MLN Guided Pathways: Provider Specific Medicare Resources	<a href="https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Downloads/Guided_Pathways_Provider_Specific_Booklet.pdf">https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Downloads/Guided_Pathways_Provider_Specific_Booklet.pdf</a>



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