

107TH CONGRESS  
1ST SESSION

# H. R. 3109

To amend the title XVIII of the Social Security Act to provide payment to Medicare ambulance suppliers of the full costs of providing such services, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 12, 2001

Mr. HOUGHTON (for himself, Mr. ALLEN, Mr. ENGLISH, Mr. McNULTY, Mr. WALSH, Mr. LAFALCE, Mr. KOLBE, Mr. KIND, Mr. SWEENEY, Mr. MOORE, Mrs. EMERSON, Mr. POMEROY, Mr. MCHUGH, Mr. TAYLOR of Mississippi, Mr. SMITH of New Jersey, Mr. FROST, Mr. BOEHLERT, Mr. HINCHEY, Mr. FRELINGHUYSEN, Mr. PALLONE, Mrs. ROUKEMA, Mr. BORSKI, Mr. SAXTON, Mrs. MINK of Hawaii, Mr. REYNOLDS, Mr. CAPUANO, Mr. FERGUSON, Mr. THOMPSON of California, Mr. KILDEE, Mr. ANDREWS, Mr. STUPAK, Mr. OBERSTAR, Ms. SLAUGHTER, Mr. MENENDEZ, Mr. TRAFICANT, Mr. BALDACCI, Mr. ROSS, and Mr. BROWN of Ohio) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the title XVIII of the Social Security Act to provide payment to Medicare ambulance suppliers of the full costs of providing such services, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Medicare Ambulance  
3 Payment Reform Act of 2001”.

4 **SEC. 2. AMBULANCE PAYMENT RATES.**

5 (a) PAYMENT RATES.—

6 (1) IN GENERAL.—Section 1834(l)(3) of the  
7 Social Security Act (42 U.S.C. 1395m(l)(3)) is  
8 amended to read as follows:

9 “(3) PAYMENT RATES.—

10 “(A) IN GENERAL.—Subject to any adjust-  
11 ment under subparagraph (B) and paragraph  
12 (9) and the full payment of a national mileage  
13 rate pursuant to subparagraph (2)(E), in estab-  
14 lishing such fee schedule, the following rules  
15 shall apply:

16 “(i) PAYMENT RATES IN 2002.—

17 “(I) GROUND AMBULANCE SERV-  
18 ICES.—In the case of ground ambu-  
19 lance services furnished under this  
20 part in 2002, the Secretary shall set  
21 the payment rates under the fee  
22 schedule for such services at a rate  
23 based on the average costs (as deter-  
24 mined by the Secretary on the basis of  
25 the most recent and reliable informa-  
26 tion available) incurred by full cost

1 ambulance suppliers in providing non-  
2 emergency basic life support ambu-  
3 lance services covered under this title,  
4 with adjustments to the rates for  
5 other ground ambulance service levels  
6 to be determined based on the rule es-  
7 tablished under paragraph (1). For  
8 the purposes of the preceding sen-  
9 tence, the term ‘full cost ambulance  
10 supplier’ means a supplier for which  
11 volunteers or other unpaid staff com-  
12 prise less than 20 percent of the sup-  
13 plier’s total staff and which receives  
14 less than 20 percent of space and  
15 other capital assets free of charge.

16 “(II) OTHER AMBULANCE SERV-  
17 ICES.—In the case of ambulance serv-  
18 ices not described in subclause (I)  
19 that are furnished under this part in  
20 2002, the Secretary shall set the pay-  
21 ment rates under the fee schedule for  
22 such services based on the rule estab-  
23 lished under paragraph (1).

24 “(ii) PAYMENT RATES IN SUBSE-  
25 QUENT YEARS FOR ALL AMBULANCE SERV-

1 ICES.—In the case of any ambulance serv-  
2 ice furnished under this part in 2003 or  
3 any subsequent year, the Secretary shall  
4 set the payment rates under the fee sched-  
5 ule for such service at amounts equal to  
6 the payment rate under the fee schedule  
7 for that service furnished during the pre-  
8 vious year, increased by the percentage in-  
9 crease in the Consumer Price Index for all  
10 urban consumers (United States city aver-  
11 age) for the 12-month period ending with  
12 June of the previous year.

13 “(B) ADJUSTMENT IN RURAL RATES.—For  
14 years beginning with 2004, the Secretary, after  
15 taking into consideration the recommendations  
16 contained in the report submitted under section  
17 221(b)(3) the Medicare, Medicaid, and SCHIP  
18 Benefits Improvements and Protection Act of  
19 2000, shall adjust the fee schedule payment  
20 rates that would otherwise apply under this  
21 subsection for ambulance services provided in  
22 low density rural areas based on the increased  
23 cost (if any) of providing such services in such  
24 areas.”.

1           (2) CONFORMING AMENDMENT.—Section  
2           221(c) of the Medicare, Medicaid, and SCHIP Bene-  
3           fits Improvement and Protection Act of 2000 (114  
4           Stat. 2763A–487), as enacted into law by section  
5           1(a)(6) of Public Law 106–554, is repealed.

6           (3) TECHNICAL AMENDMENT.—

7           (A) IN GENERAL.—Paragraph (8) of sec-  
8           tion 1834(l) of the Social Security Act (42  
9           U.S.C. 1395m(l)), as added by section 221(a)  
10          of the Medicare, Medicaid, and SCHIP Benefits  
11          Improvement and Protection Act of 2000 (114  
12          Stat. 2763A–487), as enacted into law by sec-  
13          tion 1(a)(6) of Public Law 106–554, is redesign-  
14          ated as paragraph (9).

15          (B) EFFECTIVE DATE.—The amendment  
16          made by subparagraph (A) shall take effect as  
17          if included in the enactment of such section  
18          221(a).

19          (b) USE OF MEDICAL CONDITIONS FOR CODING AM-  
20          BULANCE SERVICES.—Section 1834(l)(7) of the Social Se-  
21          curity Act (42 U.S.C. 1395m(l)(7)) is amended to read  
22          as follows:

23                 “(7) CODING SYSTEM.—

24                         “(A) IN GENERAL.—The Secretary shall,  
25                         in accordance with section 1173(c)(1)(B), es-

1           tabish a system or systems for the coding of  
2           claims for ambulance services for which pay-  
3           ment is made under this subsection, including a  
4           code set specifying the medical condition of the  
5           individual who is transported and the level of  
6           service that is appropriate for the transpor-  
7           tation of an individual with that medical condi-  
8           tion.

9           “(B) MEDICAL CONDITIONS.—The code set  
10          established under subparagraph (A) shall—

11                   “(i) take into account the list of med-  
12                   ical conditions developed in the course of  
13                   the negotiated rulemaking process con-  
14                   ducted under paragraph (1); and

15                   “(ii) notwithstanding any other provi-  
16                   sion of law, be adopted as a standard code  
17                   set under section 1173(c).”.

18 **SEC. 3. PRUDENT LAYPERSON STANDARD FOR EMERGENCY**  
19 **AMBULANCE SERVICES UNDER MEDICARE**  
20 **AND MEDICAID.**

21           (a) AMBULANCE SERVICES FOR MEDICARE FEE-FOR-  
22 SERVICE BENEFICIARIES.—Section 1861(s)(7) of the So-  
23 cial Security Act (42 U.S.C. 1395x(s)(7)) is amended by  
24 inserting before the semicolon at the end the following:  
25 “, except that such regulations shall not fail to treat am-

1 balance services as medical and other health services solely  
2 because the ultimate diagnosis of the individual receiving  
3 the ambulance services results in the conclusion that am-  
4 bulance services were not necessary, as long as the request  
5 for ambulance services is made after the sudden onset of  
6 a medical condition that would be classified as an emer-  
7 gency medical condition (as defined in section  
8 1852(d)(3)(B)).”.

9 (b) **AMBULANCE SERVICES FOR MEDICARE+CHOICE**  
10 **ENROLLEES.**—Section 1852(d)(3)(A) of the Social Secu-  
11 rity Act (42 U.S.C. 1395w–22(d)(3)(A)) is amended by  
12 inserting “(including the services described in section  
13 1861(s)(7))” after “outpatient services” in the matter  
14 preceding clause (i).

15 (c) **AMBULANCE SERVICES IN MEDICAID MANAGED**  
16 **CARE PLANS.**—Section 1932(b)(2)(B) of the Social Secu-  
17 rity Act (42 U.S.C. 1396u–2(b)(2)(B)) is amended by in-  
18 serting “(including the services described in section  
19 1861(s)(7) (if covered by the State plan))” after “out-  
20 patient services” in the matter preceding clause (i).

21 (d) **EFFECTIVE DATE.**—The amendments made by  
22 this section shall apply with respect to services provided  
23 on and after the date of enactment of the Act.

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