

114TH CONGRESS
1ST SESSION

H. R. 745

To amend title XVIII of the Social Security Act to increase access to ambulance services under the Medicare program and to reform payments for such services under such program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 2015

Mr. WALDEN (for himself, Mr. WELCH, Mr. NUNES, and Mr. NEAL) 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

A BILL

To amend title XVIII of the Social Security Act to increase access to ambulance services under the Medicare program and to reform payments for such services under such program, 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,*

3 **SECTION 1. SHORT TITLE.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Medicare Ambulance Access, Fraud Prevention, and Re-
6 form Act of 2015”.

1 (b) TABLE OF CONTENTS.—The table of contents of
2 this Act is as follows:

Sec. 1. Short title.

Sec. 2. Reform to the Medicare ambulance fee schedule.

Sec. 3. Prior authorization for ambulance transports of ESRD beneficiaries.

Sec. 4. Requiring ambulance providers to submit cost and other information.

3 **SEC. 2. REFORM TO THE MEDICARE AMBULANCE FEE**
4 **SCHEDULE.**

5 (a) IN GENERAL.—Section 1834(l) of the Social Se-
6 curity Act (42 U.S.C. 1395m(l)) is amended by adding
7 the following new paragraphs:

8 “(16) INCREASE IN CONVERSION FACTOR FOR
9 GROUND AMBULANCE SERVICES.—In the case of
10 ground ambulance services furnished on or after
11 April 1, 2015, for purposes of determining the fee
12 schedule amount for such services under this sub-
13 section, the conversion factor otherwise applicable to
14 such services shall be increased by—

15 “(A) with respect to ground ambulance
16 services for which the transportation originates
17 in a qualified rural area, as identified using the
18 methodology described in paragraph
19 (12)(B)(iii), 25.6 percent;

20 “(B) with respect to ground ambulance
21 services not described in subparagraph (A) and
22 for which the transportation originates in a
23 rural area described under paragraph (9) or in

1 a rural census tract described in such para-
2 graph, 3 percent; and

3 “(C) with respect to ground ambulance
4 services not described in subparagraph (A) or
5 (B), 2 percent.

6 “(17) INCREASE IN MILEAGE RATE FOR
7 GROUND AMBULANCE SERVICES.—In the case of
8 ground ambulance services furnished on or after
9 April 1, 2015, for purposes of determining the fee
10 schedule amount for such services under this sub-
11 section, the payment rate for mileage otherwise ap-
12 plicable to such services shall be increased by—

13 “(A) with respect to ground ambulance
14 services for which the transportation originates
15 in a qualified rural area, as identified using the
16 methodology described in paragraph
17 (12)(B)(iii), 3 percent;

18 “(B) with respect to ground ambulance
19 services not described in subparagraph (A) and
20 for which the transportation originates in a
21 rural area described under paragraph (9) or in
22 a rural census tract described in such para-
23 graph, 3 percent; and

1 “(C) with respect to ground ambulance
2 services not described in subparagraph (A) or
3 (B), 2 percent.”.

4 (b) STUDY AND REPORT.—

5 (1) STUDY.—The Secretary of Health and
6 Human Services shall conduct a study on how the
7 conversion factor applicable to ground ambulance
8 services under the ambulance fee schedule under sec-
9 tion 1834(l) of the Social Security Act (42 U.S.C.
10 1395m(l)), as adjusted under paragraph (16) of
11 such section (as added by subsection (a)), should be
12 modified, if at all, to take into account the cost of
13 providing services in urban, rural, and super-rural
14 areas. In determining such costs, the Secretary shall
15 use the data collected through the data collection
16 system under paragraph (18) of such section, as
17 added by section 4.

18 (2) REPORT.—Not later than January 1, 2020,
19 the Secretary of Health and Human Services shall
20 submit to Congress a report on the study conducted
21 under paragraph (1), together with recommenda-
22 tions for such legislation and administrative action
23 as the Secretary determines appropriate.

1 **SEC. 3. PRIOR AUTHORIZATION FOR AMBULANCE TRANS-**
2 **PORTS OF ESRD BENEFICIARIES.**

3 (a) IN GENERAL.—Section 1834(l) of the Social Se-
4 curity Act (42 U.S.C. 1395m(l)), as amended by section
5 2, is amended by adding at the end the following new
6 paragraph:

7 “(18) PRIOR AUTHORIZATION OF COVERAGE
8 FOR AMBULANCE TRANSPORTS OF ESRD BENE-
9 FICIARIES.—

10 “(A) PROCESS.—

11 “(i) IN GENERAL.—For applicable
12 ESRD ambulance services furnished on or
13 after January 1, 2017, by an applicable
14 ambulance provider, the Secretary shall es-
15 tablish and implement a process under
16 which the Secretary shall determine, in ad-
17 vance of furnishing such a service to an in-
18 dividual, whether payment for such service
19 may not be made because such service is
20 not covered or because of the application of
21 section 1862(a)(1).

22 “(ii) DENIAL OF PAYMENT.—Subject
23 to subparagraph (B)(ii)(II), no payment
24 shall be made under this part for the serv-
25 ice unless the Secretary determines pursu-

1 ant to such process that the service meets
2 the applicable requirements for coverage.

3 “(B) ELEMENTS OF PROCESS.—The proc-
4 ess described in subparagraph (A) shall include
5 the following elements:

6 “(i) In order to obtain a prior author-
7 ization, the applicable ambulance provider
8 shall submit—

9 “(I) a valid physician certifi-
10 cation statement (PCS) for non-emer-
11 gency ambulance transport; and

12 “(II) any other documentation
13 determined appropriate by the Sec-
14 retary.

15 “(ii)(I) The Secretary shall respond to
16 a prior authorization request within 7 busi-
17 ness days of receiving the request.

18 “(II) If the Secretary does not make
19 a prior authorization determination within
20 7 business days of the date of the Sec-
21 retary’s receipt of medical documentation
22 needed to make such determination, sub-
23 subparagraph (A)(ii) shall not apply.

24 “(iii) In making the determination
25 under subparagraph (A) with respect to a

1 service and individual, the Secretary shall
2 evaluate the medical necessity of the serv-
3 ice by determining—

4 “(I) whether the individual is un-
5 able to get up from bed without as-
6 sistance, unable to ambulate, and un-
7 able to sit in a chair or wheelchair;

8 “(II) whether the individual has
9 a medical condition that, regardless of
10 bed confinement, is such that trans-
11 port by ambulance is medically nec-
12 essary; or

13 “(III) whether the individual
14 meets other criteria as determined ap-
15 propriate by the Secretary.

16 “(iv) If the prior authorization re-
17 quest is approved, such request shall be
18 retroactive to the date on which such re-
19 quest was received.

20 “(v) An approved prior authorization
21 shall be valid for a 60-day period. The Sec-
22 retary may provide for an extension of
23 such period if the Secretary determines
24 such an extension is appropriate.

1 “(vi) An approved prior authorization
2 shall be deemed to constitute medical ne-
3 cessity but shall not eliminate the docu-
4 mentation requirements necessary to sup-
5 port a claim for the transport.

6 “(vii) Other elements determined ap-
7 propriate by the Secretary.

8 “(C) RELIANCE UPON CONTRACTORS.—
9 The Secretary may rely upon contractors to im-
10 plement the requirements of this paragraph.
11 The contractor’s compensation shall be limited
12 to a demonstration that it has reduced the
13 number of non-emergency basic life support
14 services involving individuals with end-stage
15 renal disease for renal dialysis services (as de-
16 scribed in section 1881(b)(14)(B)) furnished
17 other than on an emergency basis.

18 “(D) APPLICABLE ESRD AMBULANCE
19 SERVICES.—In this paragraph, the term ‘appli-
20 cable ESRD ambulance services’ means ambu-
21 lance services consisting of non-emergency basic
22 life support services involving transport of an
23 individual with end-stage renal disease for renal
24 dialysis services (as described in section

1 1881(b)(14)(B)) furnished other than on an
2 emergency basis.

3 “(E) AMBULANCE PROVIDER; APPLICABLE
4 AMBULANCE PROVIDER DEFINED.—In this
5 paragraph:

6 “(i) AMBULANCE PROVIDER.—The
7 term ‘ambulance provider’ means a pro-
8 vider of services (as defined in section
9 1861(u)) or other entity that furnishes am-
10 bulance services under this title.

11 “(ii) APPLICABLE AMBULANCE PRO-
12 VIDER.—The term ‘applicable ambulance
13 provider’ means an ambulance provider
14 (other than an ambulance provider who is
15 a provider of services (as defined in such
16 section)).

17 “(F) IMPLEMENTATION.—

18 “(i) IN GENERAL.—Subject to clause
19 (ii), the Secretary may carry out this para-
20 graph through program instruction or oth-
21 erwise.

22 “(ii) SUFFICIENT NOTICE TO PRE-
23 PARE.—Not later than June 30, 2016, the
24 Secretary shall make the aspects of the

1 process under this paragraph available to
2 the public.”.

3 (b) CONFORMING AMENDMENTS.—Section 1834(l) of
4 the Social Security Act (42 U.S.C. 1395m(l)) is amend-
5 ed—

6 (1) in paragraph (1), by striking “a supplier or
7 provider or under arrangement with a provider” and
8 inserting “an ambulance provider (as defined in
9 paragraph (18)(E)(i)) or under arrangement with an
10 ambulance provider”;

11 (2) in paragraph (8), in the matter following
12 subparagraph (B), by striking “provider or supplier
13 of ambulance services” and inserting “ambulance
14 provider (as defined in paragraph (18)(E)(i))”; and

15 (3) in paragraph (9), in the heading, by insert-
16 ing “AMBULANCE” after “RURAL”;

17 (4) in paragraph (12), in the heading, by in-
18 serting “AMBULANCE” after “RURAL”; and

19 (5) in each of subparagraphs (B)(ii) and (D)(ii)
20 of paragraph (14), by striking “entity” and inserting
21 “ambulance provider (as defined in paragraph
22 (18)(E)(i))”.

1 **SEC. 4. REQUIRING AMBULANCE PROVIDERS TO SUBMIT**
2 **COST AND OTHER INFORMATION.**

3 Section 1834(l) of the Social Security Act (42 U.S.C.
4 1395m(l)), as amended by section 3, is amended by adding
5 at the end the following new paragraph:

6 “(19) SUBMISSION OF COST AND OTHER INFOR-
7 MATION.—

8 “(A) DEVELOPMENT OF DATA COLLECTION
9 SYSTEM.—The Secretary shall develop a data
10 collection system (which may include use of a
11 cost survey and standardized definitions) for
12 ambulance providers to collect cost, revenue,
13 utilization, and other information determined
14 appropriate by the Secretary. Such system shall
15 be designed to submit information—

16 “(i) needed to evaluate the appro-
17 priateness of payment rates under this
18 subsection;

19 “(ii) on the utilization of capital
20 equipment and ambulance capacity; and

21 “(iii) on different types of ambulance
22 services furnished in different geographic
23 locations, including rural areas and low
24 population density areas described in para-
25 graph (12).

1 “(B) SPECIFICATION OF DATA COLLEC-
2 TION SYSTEM.—

3 “(i) IN GENERAL.—Not later than
4 July 1, 2016, the Secretary shall—

5 “(I) specify the data collection
6 system under subparagraph (A) and
7 the time period during which such
8 data is required to be submitted; and

9 “(II) identify the ambulance pro-
10 viders who would be required to sub-
11 mit the information under such data
12 collection system.

13 “(ii) RESPONDENTS.—Subject to sub-
14 paragraph (D)(ii), the Secretary shall de-
15 termine an appropriate sample of ambu-
16 lance providers to submit information
17 under the data collection system for each
18 period for which reporting of data is re-
19 quired.

20 “(C) PENALTY FOR FAILURE TO REPORT
21 COST AND OTHER INFORMATION.—Beginning
22 on July 1, 2017, a 5-percent reduction to pay-
23 ments under this part shall be made for a 1-
24 year prospective period specified by the Sec-
25 retary to an ambulance provider who—

1 “(i) is identified under subparagraph
2 (B)(i)(II) or (D)(ii) as being required to
3 submit the information under the data col-
4 lection system; and

5 “(ii) does not submit such information
6 during the period specified under subpara-
7 graph (B)(i)(I).

8 “(D) ONGOING DATA COLLECTION.—

9 “(i) REVISION OF DATA COLLECTION
10 SYSTEM.—The Secretary may, as deter-
11 mined appropriate, periodically revise the
12 data collection system.

13 “(ii) SUBSEQUENT DATA COLLEC-
14 TION.—

15 “(I) IN GENERAL.—In order to
16 continue to evaluate the appropriate-
17 ness of payment rates under this sub-
18 section, the Secretary shall, for years
19 after 2017 (but not less often than
20 once every 3 years), require ambu-
21 lance providers to submit information
22 for a period the Secretary determines
23 appropriate. The penalty described in
24 subparagraph (C) shall apply to such
25 subsequent data collection periods.

1 “(II) SAMPLE.—For each period
2 described in subclause (I), the Sec-
3 retary shall determine an appropriate
4 sample of ambulance providers to sub-
5 mit information under the data collec-
6 tion system for such period. In deter-
7 mining which ambulance providers
8 would be required to submit informa-
9 tion for such period, the Secretary
10 may not require an ambulance pro-
11 vider who has already submitted infor-
12 mation for a previous period to submit
13 information for a subsequent period
14 unless all of the ambulance providers
15 who the Secretary determines are the
16 same type as such ambulance provider
17 have either submitted information or
18 been penalized under subparagraph
19 (C) for not doing so.

20 “(E) CONSULTATION.—The Secretary shall
21 consult with stakeholders in carrying out the
22 development of the system and collection of in-
23 formation under this paragraph, including the
24 activities described in subparagraphs (A) and
25 (D). Such consultation shall include the use of

1 requests for information and other mechanisms
2 determined appropriate by the Secretary.

3 “(F) DEFINITION OF AMBULANCE PRO-
4 VIDER.—In this paragraph, the term ‘ambu-
5 lance provider’ has the meaning given such
6 term in paragraph (18)(E)(i).

7 “(G) ADMINISTRATION.—Chapter 35 of
8 title 44, United States Code, shall not apply to
9 the collection of information required under this
10 subsection.

11 “(H) LIMITATIONS ON REVIEW.—There
12 shall be no administrative or judicial review
13 under section 1869, section 1878, or otherwise
14 of the data collection system or identification of
15 respondents under this paragraph.

16 “(I) FUNDING FOR IMPLEMENTATION.—
17 For purposes of carrying out subparagraph (A),
18 the Secretary shall provide for the transfer,
19 from the Federal Supplementary Medical Insur-
20 ance Trust Fund under section 1841, of
21 \$1,000,000 to the Centers for Medicare & Med-
22 icaid Services Program Management Account
23 for fiscal year 2016. Amounts transferred under

1 this subparagraph shall remain available until
2 expended.”.

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