To suspend the implementation of zip code reclassifications for Medicare payment for ambulance services, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

February 9, 2015

Mr. Nunes (for himself, Mr. Boustany, Mr. Thompson of California, Mr. LaMalfa, Mr. Kelly of Pennsylvania, Mr. Valadao, Mr. Cook, and Mr. DeFazio) 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 suspend the implementation of zip code reclassifications for Medicare payment for ambulance services, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the “Fairness in Ambulance
Reimbursement Act of 2015”.

SEC. 2. FINDINGS.

Congress finds the following:
The Centers for Medicare & Medicaid Services in both its proposed and final calendar year 2015 physician fee schedule rules made adjustments to the geographic area designations used to calculate payments for ambulance providers and suppliers and misidentified the number of zip code designations that would be impacted by the change.

On July 11, 2014, the Centers for Medicare & Medicaid Services published a proposal informing the public that no zip codes in the State of California, only two zip codes in the State of Louisiana, and only one zip code in the State of Texas would be changed based on the Office of Management and Budget’s revised delineations and updated Rural-Urban Commuting Area codes.

After publication of the zip code proposal, the public had 60 days to submit comments, per the requirements of the Administration Procedures Act.

On November 13, 2014, the Centers for Medicare & Medicaid Services published a final regulation informing the public, for the first time, that 3.45 percent of zip codes (or 94 zip codes) in the State of California, 13.67 percent of zip codes (or 101 zip codes) in the State of Louisiana, 5.96 percent of zip codes (or 155 zip codes)
in the State of Texas, and 7.1 percent of zip codes (or 35 zip codes) in the State of Oregon would change based on the Office of Management and Budget’s revised delineations of the Rural-Urban Commuting Area codes.

(5) This change from the data that was published in the proposed rule to the data that was published in the final rule did not afford the public proper notice and comment and therefore is an apparent violation of the Administration Procedures Act.

(6) Further, the corrected final list of zip code changes was not posted until December 4, 2014, less than a month before the new policy was implemented on January 1, 2015, giving ambulance providers and suppliers insufficient time to prepare for the change in reimbursement.

(7) The Centers for Medicare & Medicaid Services also did not provide an impact analysis or certification determining whether there is a significant economic impact on small entities, as required by law.

(8) These changes will result in nearly 9 percent cut in reimbursement under the Medicare pro-
gram for transports originating in areas losing rural status.

SEC. 3. SUSPENSION OF IMPLEMENTATION OF RURAL TO URBAN ZIP CODE RECLASSIFICATIONS FOR MEDICARE PAYMENT FOR AMBULANCE SERVICES.

(a) SUSPENSION OF RURAL TO URBAN ZIP CODE RECLASSIFICATIONS.—Not later than July 1, 2015, the Secretary of Health and Human Services shall issue a notice suspending through December 31, 2015, the implementation of the reclassification of rural to urban zip codes for payment for ambulance services under the fee schedule under section 1834(l) of the Social Security Act (42 U.S.C. 1395m(l)), as contained in the final rule published by the Centers for Medicare & Medicaid Services in the Federal Register on November 13, 2014 (76 Fed. Reg. 67744 through 67750). The Secretary shall ensure, subject to subsection (d)(1), that claims for payment under the fee schedule under section 1834(l) of the Social Security Act (42 U.S.C. 1395m(l)) for ambulance services furnished during 2015 (beginning on July 1, 2015) are paid as if the reclassification of rural to urban zip codes applied under such final rule were the classification of zip codes applied the day before the effective date of such final rule.
(b) Reclassifications Pursuant to Notice and Comment Rulemaking.—Not later than November 1, 2015, the Secretary of Health and Human Services shall, through notice and comment rulemaking, reclassify rural to urban zip codes for payment under the fee schedule under section 1834(l) of the Social Security Act (42 U.S.C. 1395m(l)) for ambulance services furnished on or after January 1, 2016, taking into account the revised geographic delineations of the Office of Management and Budget, as described in the February 28, 2013 Office of Management and Budget Bulletin No. 13–01.

(c) Treatment of 2015 Claims; Budget Neutrality.—

(1) Treatment of 2015 Claims.—Nothing in this section, or the amendment made by this section, shall be construed as instructing the Secretary of Health and Human Services to re-process any claims for payment under the fee schedule under section 1834(l) of the Social Security Act (42 U.S.C. 1395m(l)) for ambulance services furnished during 2015.

(2) Budget Neutrality.—

(A) Determining Affect of 2015 Suspension.—The Secretary of Health and
Human Services shall estimate the amount, if any, by which—

(i) the aggregate amount of payments under the fee schedule under section 1834(l) of the Social Security Act (42 U.S.C. 1395m(l)) for ambulance services furnished during 2015 after application of subsection (a), exceeds

(ii) the aggregate amount of payments that would have been made under such fee schedule for such services furnished during such year if subsection (a) had not been enacted.

(B) Adjustments in 2016.—If the Secretary estimates the amount under clause (i) of subparagraph (A) exceeds the amount described in clause (ii) of such subparagraph, the Secretary shall, through notice and comment rule-making, adjust payments under the fee schedule under section 1834(l) of the Social Security Act (42 U.S.C. 1395m(l)) for ambulance services (other than air ambulance services) furnished during 2016 such that the total amount of such adjustments is equal to the amount by which
the amount described in such clause (i) exceeds
the amount described in such clause (ii).