

Mandated report: Medicare payment for ambulance services

ISSUE: Section 3007(e) of the Middle Class Tax Relief and Job Creation Act of 2012 directs the Commission to conduct a study of the Medicare ambulance fee schedule and submit a report to the Congress by June 15, 2013. The Commission is specifically directed to examine the impacts of certain temporary add-on payments that will expire under current law at the end of 2012.

KEY POINTS: At the April and September Commission meetings, staff reported on the structure of Medicare's payment system for ambulance services; presented empirical analyses of the level and growth of Medicare payments and beneficiary use of ambulance services and the specific effects of the temporary add-on payments on Medicare spending; summarized secondary research on ambulance providers' and suppliers' costs relative to Medicare payments; and discussed areas of the Medicare ambulance benefit that are vulnerable to fraud and abuse. At the October meeting, staff reported additional information and presented the Chairman's draft recommendations.

ACTION: At the November meeting, staff will present draft recommendations for the mandated report to the Congress based on the October discussion. Commissioners should be prepared to vote on those recommendations.

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