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*Agency of Human Services*

## **Medicaid Ambulance Reimbursement Report**

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### **Report to the General Assembly**

**Hal Cohen, Secretary**  
Vermont Agency of Human Services

**Steven M. Costantino, Commissioner**  
Department of Vermont Health Access



## Ambulance Legislative Report

### Prepared by the Department of Vermont Health Access

Pursuant to Act 172, Section E.306.12, DVHA increased reimbursement for emergency services by ambulance providers from approximately 43% to 80% of Medicare's reimbursement rates for specific codes. This change to rates will be effective for state fiscal year (SFY) 2017 (adopted on July 1, 2016), and applies to all Medicaid eligibility groups.

Of note, Medicaid also reimburses Agencies for medical supplies. This is different, and more expansive, than Medicare's policy, in which the Medicare rate for non-emergency transportation includes medical supplies.

The following table shows the change in rates from SFY 2016 to 2017.

HCPCS Code	Rates prior to July 2016	Percent of Medicare	Rates effective July 1, 2016	Percent of Medicare
A0425	\$3.02	41%	\$5.82	79%
A0426	\$117.18	43%	\$217.63	79%
A0427	\$185.54	43%	\$344.58	79%
A0428	\$97.65	43%	\$181.36	79%
A0429	\$156.24	43%	\$290.17	79%
A0434	\$317.37	43%	\$589.41	79%

**Impacted Ambulance HCPCS Codes:**

- A0425 - Ground mileage, per statute mile
- A0426 - Ambulance service, advanced life support, nonemergency transport, level 1 (ALS 1)
- A0427 - Ambulance service, advanced life support, emergency transport, level 1 (ALS 1 – emergency)
- A0428 - Ambulance service, basic life support, nonemergency transport, (BLS)
- A0429 - Ambulance service, basic life support, emergency transport (BLS, emergency)
- A0434 - Specialty care transport (SCT)

**Fiscal Impact:**

	State Fiscal Year 2017
State	\$1,057,400
Federal	\$1,257,300
Total	\$2,314,700

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### **State Plan Amendment**

The increase for ambulance reimbursement rates was submitted to and approved by the Centers for Medicare and Medicaid Services (CMS) as a State Plan Amendment (SPA) on September 20<sup>th</sup>, 2016.

### **Public Comment**

Public Comment was posted for the period 5/26/2016 to 6/27/2016. There was no provider feedback received.

### **Ambulance Agency Provider Tax Assessment**

Pursuant to Act 134, Section 30, 33 V.S.A. § 1959, DVHA commenced discussions in early June 2016 to discuss policies, definitions and processes needed to implement and collect Ambulance Provider Taxes starting in SFY 2017. These discussions included representatives from the DVHA Legal and Reimbursement Units as well as Ambulance Agencies. Discussions continued throughout the summer months on topics such as definitions of terms, when and how Ambulance Agencies would report their revenues, and the period of time to be used by Agencies for reporting of revenues for the initial assessment of tax to be collected in SFY 2017.

As a result of these discussions, DVHA created a form titled the Ambulance Agency Assessment (Reporting Form) pursuant to 33 V.S.A. § 1959 that will be used by Agencies to report their revenues to DVHA. The form will be completed and attested to annually by each Agency and consists of four sections. The sections are as follows; 1) Reporting Period 2) Agency Identification 3) Reporting of Net Patient Revenue and 4) Attestation by duly authorized agent or employee. The report will be accompanied by instructions and definitions in order to help Agencies complete the report. Upon completion, forms will be returned to DVHA where the amount of Net Patient Revenue reported will be used to calculate the Provider Tax assessment due and each Ambulance Agency will be notified of that amount.

For SFY 2017, all Ambulance Agencies will be expected to have their completed Ambulance Agency Assessment (Reporting Form) returned to DVHA on or before January 10, 2017. Payment of the taxes is due beginning June 1, 2017.

