



National Association of Emergency Medical Technicians  
Post Office Box 1400 \* Clinton, Mississippi 39060-1400  
Phone: 800-34-NAEMT or 601-924-7744 \* Fax: 601-924-7325  
Website: [www.NAEMT.org](http://www.NAEMT.org)

August 13, 2010

Donald Berwick, M.D.  
Administrator  
Centers for Medicare and Medicaid Services  
7500 Security Boulevard  
Baltimore, MD 21244-1850

Re: Payment Policies Under the Physician Fee Schedule and Other Revisions to Part B  
for CY 2011 CMS 1503-P

Dear Administrator Berwick:

The National Association of Emergency Medical Technicians (NAEMT) represents our nation's EMS practitioners who provide vital emergency and non-emergency patient care to the communities in which they serve. With the advancements in pre-hospital care, which can dramatically improve patient outcome, EMS is continually expected to provide a higher level of health care to our communities. However, we are doing so while getting less reimbursement which undermines our ability to provide the best possible patient care. Our organization therefore strongly opposes any reductions in Medicare reimbursement for ambulance service providers and suppliers. For this reason and those outlined below, we urge CMS not to adopt the proposed fractional mileage policy.

NAEMT is the nation's only organization solely dedicated to representing the professional interests of all EMS practitioners, including paramedics, emergency medical technicians (EMTs), first responders and other professionals working in pre-hospital emergency medicine. NAEMT's 30,000+ members work in all sectors of EMS, including government service agencies, fire departments, hospital-based ambulance services, private companies, industrial and special operations settings, and in the military.

Any reductions in reimbursement would be in direct contradiction to the findings of the May 2007 Government Accountability Office (GAO) report entitled "Ambulance Providers: Costs and Expected Medicare Margins Vary Greatly" (GAO-07-383). The GAO determined that Medicare reimburses ambulance service agencies on average 6% below their costs of providing services and 17% for agencies in super rural areas. The proposed change in the reporting of mileage would reduce payments and further exacerbate the problems already caused by below-cost Medicare reimbursement.

While we agree that it is important for there to be accuracy in billing, we are deeply concerned that the change in the reporting of mileage will negatively impact our operation and ultimately patient care. If implemented, the proposed policy would result in more unnecessary administrative burdens, especially for small and volunteer ambulance service agencies. Additionally, the fractional mileage policy does not adhere to the budget neutrality requirement set forth in the authorizing statute because it removes significant dollars from the Medicare system. If CMS does move forward with the policy, it should implement it in a budget neutral manner.

### **Focus should be on Patient Care**

The top priority of paramedics and EMTs should be on stabilizing the patient. Ensuring that the mileage of a trip is accurately captured can take time away from the patient and recording mileage to the tenth of the mile makes that effort more difficult. This would be the case especially for paramedics and EMTs that operate ambulances which have an odometer that does not record to the tenth of a mile.

The anticipated savings to Medicare cited by CMS in the proposed rule would mean fewer funds to already financially strapped ambulance service agencies. This could result in cutbacks on critical items such as the number of ambulance crews, new equipment and high cost drugs. This obviously could have an adverse affect on the quality of services that ambulance service agencies provide to patients.

### **Considering the Administrative Burden**

If implemented, the proposed policy would create unnecessary burdens on ambulance service agencies. No other payer requires fractional mileage for billing claims. Although payers have different rules regarding the reimbursement of claims, they uniformly require whole numbers for mileage reporting. If CMS were to implement the proposal, ambulance service agencies would be forced to bear a difficult administrative burden trying to resolve inconsistency between the Medicare claims and secondary payers, including Medicaid.

Additionally, many of the recent ambulance models produced by ambulance manufacturers do not contain fractional mileage odometers. According to the Ambulance Manufacturer's Association, approximately 67 percent of all new ambulances being built are Ford ambulances which do not have fractional mileage odometers. Of the 48,384 ambulances currently on the road, approximately 32,417 are Ford ambulances without fractional mileage odometers. Because any ambulance service agency with one of these models will be unable to report fractional mileage, this requirement presents a practical barrier to implementation of, and compliance with, the new policy.

The proposed fractional mileage policy will be particularly difficult for small and volunteer ambulance services to implement. We agree that mileage should be logged correctly, but these agencies are particularly stretched and may not have access to

technology that will streamline the collection of the additional detailed data. We encourage CMS to acknowledge the difficulties these agencies face.

### **Maintaining Budget Neutrality**

If CMS were to implement the fractional mileage policy, it would have to do so in a manner that ensured that any savings gained by this policy were put back into the ambulance fee schedule in order to meet the intent of Congress that the ambulance fee schedule be calculated using budget neutrality principles and adjusted upward for inflation. If CMS were to undertake this calculation, we strongly urge CMS to comply with the requirement and the commitment made during negotiated rulemaking to ensure that no money is taken out of the system. To accomplish this goal, we urge you to modify the conversion factor by increasing the amount proportionally between ground and air in a manner that recognizes the fact that the fractional mileage has a larger overall financial impact on ground services.

### **Conclusion**

The number one priority of an ambulance crew is to expeditiously stabilize and transport the patient to a hospital in a manner that will result in the best outcome for the patient. We provide this often life-saving service regardless of the patient's ability to pay or whether we will get reimbursed. The proposed fractional mileage policy would result in additional administrative burdens and lower reimbursement that already does not cover our costs and thus could undermine our ability to provide high quality patient care. We again urge CMS not to adopt the proposed change in policy.

Sincerely,



Patrick Moore  
President, NAEMT