



Retroactive Payment Relief in Sight for Ambulance Services

CMS Announces Plan for Retroactive Bonus Payments

Ambulance services should soon begin to receive the long awaited retroactive "bonus" payments that were implemented by the Affordable Care Act (ACA) last March. The Centers for Medicare and Medicaid Services (CMS) just announced that it will begin to reprocess affected claims from the first half of 2010 **over the next several weeks**. [CLICK HERE](#) to read CMS's message.

The ACA restored the 2% urban, 3% rural, and 22.6% super rural bonus payments for ambulance claims beginning on January 1, 2010. However, since Medicare contractors were not required to implement the new payment rates until July, 2010, all claims for the first half of 2010 had already been processed at the lower rate. For months we have awaited information from CMS regarding when they would reprocess those claims and we now have an answer.

CMS states that in most cases your Medicare claims administration contractor will *automatically* reprocess your claims at the higher rate. So, ambulance services should not resubmit these claims because they will be denied as duplicate claims. In addition, the Office of Inspector General (OIG) issued a policy statement that permits ambulance services to waive the increased beneficiary copayments resulting from the retroactive adjustments.

Medicare contactors will follow the normal process for handling any applicable underpayments or overpayments that occur while reprocessing your claims. But, keep in mind that it is your responsibility to track payments from the reprocessed claims and to return all overpayments and appeal all underpayments accordingly. PWW is aware of at least one Medicare contractor that already reprocessed claims at an incorrect rate.