On March 8, 2013, the Centers for Medicare and Medicaid Services (CMS) issued a statement putting ambulance services on notice that starting **April 1, 2013**, their Medicare payments will be **reduced by 2%**. Barring Congressional action between now and then, ambulance services can expect yet another cut to their Medicare rates on all claims with dates-of-service on or after that date.

Since Congress failed to agree on budget cuts last year, the Budget Control Act of 2011 requires mandatory across-the-board reductions in Federal spending, including a 2% cut to Medicare reimbursement. These automatic cuts, known as "sequestration," were supposed to go into effect the first of this year. But they were delayed for 2 months by the American Taxpayer Relief Act of 2012, the same Act that extended the ambulance ground bonus payments and will cut Medicare reimbursement for non-emergency BLS transports for ESRD patients. The 2% claims payment adjustment will be applied to all claims after determining coinsurance, any applicable deductible, and any applicable Medicare Secondary Payment adjustments.

These cuts are just a small part of the many changes to Medicare reimbursement happening this year.

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