

August 24, 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:

Our organization provides legislative advocacy and represents the views and interests of our EMS provider members in Wisconsin communities. Over the last several years, we have witnessed Wisconsin ambulance services receiving less and less reimbursement from claims which adversely affects their 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.

There are approximately 450 ambulance services that are authorized to treat and transport patients in Wisconsin. Approximately 375 of these services respond to emergency (911) calls. The largest number of providers are classified as volunteer ambulance services. Approximately 25% of all ambulance services are licensed at the paramedic level, while about 60% of Wisconsin ambulance services are authorized to start IVs and administer eight or more medications to patients. There are between 475,000 and 525,000 ambulance runs are completed each year in Wisconsin.

Although the Wisconsin EMS Association is not a provider of emergency services, we are a strong stakeholder and vital source of State and National EMS information. We hold the state's largest EMS conference, collect EMS data, work with legislators, and provide the latest information on EMS in Wisconsin. In addition, six times per year we publish a full color 48-page *EMS Professionals* magazine with a circulation of about 8,000 issues. These comments are being submitted on behalf of our twelve member board of directors and nearly 7,500 emergency medical providers.

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 ambulance providers 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.

As previously mentioned, the majority of our ambulance providers are volunteer services. Requiring EMS personnel to record mileage to the tenth of a mile causes additional burdens to an already understaffed and underfunded volunteer system. Additionally, many ambulance services do not have ambulances that are equipped with odometers that even have the capability to record mileage to the tenth of a mile nor the technological advancements required to collect the data by other means. Consequently, this presents a barrier to compliance with this new proposed policy. We encourage CMS to acknowledge the difficulties these agencies face.

The anticipated savings to Medicare cited by CMS in the proposed rule would mean less funds to already financially strapped ambulance service agencies. This could result in cutbacks on critical items such as the number of ambulance crews, reduced training, 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.

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, since no other payer requires fractional mileage for billing claims.

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,

Mindy Allen,
Executive Director
Wisconsin EMS Association