

A Newsletter From the Desk of Rick Martin

November 2013





2014 MEDICARE AMBULANCE INFLATION UPDATE

The Centers for Medicare and Medicaid Services (CMS) has released the official Medicare ambulance inflation factor for 2014.

The inflation update will be 1.0%.

Each year, the Medicare Ambulance Fee Schedule is updated to reflect inflation. The inflation adjustment factor is called the "Ambulance Inflation Factor" or "AIF". The AIF was historically calculated based on the increase to the Consumer Price Index – All Urban Consumers (CPI-U) over the twelve month period ending on June 30 of the prior year. The Bureau of Labor Statistics released its calculation of the increase in the CPI-U for the month of June 2013. The increase in the CPI-U over the 12 month period ended on June 30, 2012 was 1.8%.

Section 3401 of the Affordable Care Act mandated that the AIF be reduced by the change in the 10-year moving average of the private nonfarm business multi-factor productivity index (MFP) for calendar years 2011 and beyond. CMS determined that the MFP for 2014 will be 0.8%.

Accordingly, CMS has stated the AIF for 2014 will be 1.0%.

Though the 2014 Medicare fees schedule has not been released yet (typically issued in December, this information suggests that Medicare rates will increase by 1% in 2014.



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BMM 9/11/2001

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By failing to prepare, you are preparing to fail.

Benjamin Franklin

ACCOUNTABLE CARE ORGANIZATONS

Under Obamacare's Accountable Care Approach, doctors and hospitals will be rewarded for working together to improve quality and rein in costs.

How does the program work for the ACO?

CMS will establish a budget for each ACO. The budget is based on the costs to the ACO for caring for each Medicare patient over the past three years plus estimated inflation. If the ACO is able to save money (reduce Medicare costs by more than the budgeted amount) by providing higher quality care (CMS has established benchmarks to measure quality care), CMS will share a portion of the savings with the ACO. The ACO Model does present higher levels of rewards and risk. The ACOs could potentially lose money if Medicare patients need more care than they have in the past, if the care is not properly coordinated or the patient is re-admitted for the same issue. For example, an ACO can deny or reduce payment if the provider isn't meeting quality standards. Also, reimbursement can be denied when a patient is readmitted to a hospital within three days for the same problem. It's therefore in that hospital's interest to make sure the patient doesn't get readmitted for the same problem. In order to be successful, ACOs will need to put more emphasis on post-acute care and enhance overall coordination and communication between hospitals, specialists, primary care physicians and rehabilitation and skilled nursing facilities. This should result in a higher quality of patient care, while eliminating duplication of services, preventing potential future high-cost hospital services and reducing re-admittances.

How does this affect EMS?

To avoid such re-admittances and other quality of care issues, hospitals may partner with the local EMS system to perform a variety of services. These can include checking on the patient with home visits for the first three days, or if complications arise, transporting the patient to another level of care.

Please let me know if your local hospital has or is planning to initiate an ACO. All I need is the name an contact information for the responsible party at the hospital. As part of our service, Comstar's Provider Relations Team will follow-up with the hospital, attain a complete understanding their ACO enrollment process and then present this enrollment option to you for your review and consideration. Please send contact information you attain to me via e-mail:

Rick.Martin@Comstarbilling.com

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Either you run the day or the day runs you.

Jim Rohn

Open Items

Many clients have already responded, but we still need to hear from several clients on the following **Open Items**:

- 1) <u>Updated BAA Agreements</u>: This needs to be done by 9/23/13. It is a HHS requirement for your service. There is now a BAA in Word format on our website for your use or you may use your own compliant form. Only 36% of clients have responded to date. This is a HHS requirement of your ambulance service. Please take action now. Please see page 5 of this newsletter for details.
- 2) Rate Bundling: I am recommending this to all clients. Information from recently attended EMS conferences and feedback from Chief's, Town Administrators and Finance Directors have contributed to the following talking point on why it is a good idea to bundle your rates at this time:
 - A. To best position your ambulance service for reimbursement under the National Healthcare Plan ("OBamacare") where accountable care organizations (ACO's) will take a prominent role in the reimbursement of EMS charges.
 - B. The bundled structure creates a better match of revenue to the expenses your service incurs to make available and provide emergency care
 - C. Medicare (CMS) transitioned to the bundled rate structure in 2002
 - D. More than half of the private insurance payers we deal with are asking for claims to be submitted in a bundled structure *Please see the next 3 pages for details.*

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Opportunity does not knock, it presents itself when you beat down the door.

Kyle Chandler

Bundling Your Services Ambulance Billing Rates

Comstar is recommending that all clients that have not already done so, transition their rate structure from the traditional "a la carte" rate structure to a bundled rate structure during CY 2013.

Bundling rates will not result in higher total reimbursement of clean claims. Increasing rates could achieve this but this is not the intent of this specific advice. The intent here is to position your service well for the time if/when Obamacare becomes fully implemented and provider reimbursements begin to flow through Accountable Care Organizations, **ACO's**, (new managed care entities envision under the Obama plan).

We advise that presenting ACO's with a consistent and simplified fee structure that mirrors the current CMS fee schedule structure will position your service to attain its equitable portion of the funds allotted to the ACO for a specific (in its totality) patient care event.

Important Notes:

- The specific cross walk from a la carte to bundle rates will be unique for each client as your rates and number of a la carte charges do differ. Please contact me via e-mail, rick.martin@comstarbilling.com or my direct line, 978-771-6482, to discuss and map out your specific cross walk plan
- The cross walk process from a la carte to bundled is not intended to increase your rates but must be done thoughtfully and conservatively to ensure that your service does not unintentionally reduce its rates. Again, I can discuss crosswalk approaches that will assist you with this process when you contact me.
- 3) Your crews documentation and Comstar's coding requirements are not changed by bundleing of rates.
- 4) The transition to bundled rates from a la carte rates is a "industry best practice" recommendation for the reason previously stated. It is not a mandated change.

CT client, obviously, stick with the state mandated rates and structure.

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Be Nice and You'll be happy.

Dick & Jackie Martin

HHS-HIPAA Final Rule Compliance Deadline 9/23/13

Business Associate Agreements

Under HIPAA, your service is required to have a Business Associate Agreement (BAA) with any party with whom it shares or gives access to its patient's PHI. Comstar meets the definition of a Business Associate of your service under HIPAA. The final rule issued on January 17th includes additional language requirements likely not found in your current BAA. To assist you with your compliance, With advice from our EMS attorney. Comstar has produced a generic BAA for your use. The follow is a link this BAA: https://www.comstarbilling.com/downloads.html

Please print, fill in your service name, the date, sign and send to me for signature. I will then e-mail you a signed copy for your files. . All clients have a responsibility to take action on this item. Please contact me anytime with questions. Please take note, having a BAA with Comstar and other BAs whom you give access to your patients PHI is a requirement of your service that requires action by your service in order to be compliant. If you prefer not to use the BAA offered by Comstar, please contact your attorney for a BAA and send it to me for my signature. The HHS published date for your services compliance with this requirement is 9/23/13.

Notice of Privacy Practices

The Final Rule made some changes to the language requirements of your services Notice of Privacy Practices (NPP). Note, all services must have an NPP and give a copy to each patient transported.

The following is a link to Comstar's NPP. http://www.comstarbilling.com/
privacy.html
<a href="http://www.comstarbilling.com/
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https://www.comstarbilling.com/npp

Contact me anytime with questions on these BAA and NPP matters.

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Well done is better than well said.

Benjamin Franklin

EMS Law Corner

The following are two items that I like to remind all clients about periodically. They are very important compliance items for your ambulance service:

RULE: BENEFICIARY SIGNATURE REQUIREMENT

On November 1, 2007, CMS posted the Final Rule for physicians and other suppliers. Under this rule is the Beneficiary Signature Requirement for ambulance transports. Medicare regulations, specifically 42 C.F.R. §424.36, require a patient's signature on a claim, unless the patient has died or the ambulance provider/supplier can qualify for one of a number of listed exceptions. As a Medicare participating provider, the ambulance service is obligated to understand and comply with this requirement for all patient care reports used for billing Medicare.

AMBULANCE PROVIDER LICENSURE AND CREW MEMBER CERTIFICATION

In order for your service to qualify for reimbursement by Medicare and other payers, your service must be licensed and all crew members must certified by your state. As a Medicare participating provider, the ambulance service is obligated to understand and comply with this requirement.

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Big shots are only little shots who keep shooting.

Christopher Morley

"Comstar supports your operations as well as billing....."

Thank you for your continued business with Comstar Ambulance Billing Service. We appreciate the opportunity to provide services to you. As a company, Comstar strives to add value to all of our clients. We have the most robust array of service options, some of which you may not be aware of.

EMT Training Course -- Practical Consideration in Drafting the PCR Narrative

This course 2 hr training course is provided to upon request to all clients. The objectives of this course are: To refresh and reinforce EMT's patient care report (PCR) writing training. To refresh and reinforce EMT's knowledge of the uses and importance of the PCR. To provide insights and guidance that will result in improvement in the quality and usefulness of the PCR. Note: Though applicable to EMT's in all states, this course is approved by the Commonwealth of Massachusetts Department of Public Health, Office of Emergency Medical Services. Massachusetts certified EMT's can earn 2 (two) credit hours of continuation credit toward their Basic, Intermediate, or paramedic certification by attending this course.

Software and Data Integration Support and Services

Comstar has been using the Zoll Data Systems billing software as its billing platform since 2002. We send and receive data in an electronic and seamless manner with existing clients using Zoll's ePCR software. Comstar can also integrate seamlessly with other ePCR software vendors to the point where I guarantee that Comstar will integrate with any ePCR solution that a client may select to use. Comstar is very flexible in this manner, because we feel it is important for you, and every client to select an ePCR solution that you feel most comfortable with and best fits your needs. Our five person in-house IT staff has successfully integrated our Zoll software with the following nine (9) EPCR software solutions: AmbuPro, emsCharts, ESO Solutions, Firehouse, Healthware Solutions, ImageTrend, IMC Public Safety, PURVIS Public Safety, and Zoll Data Systems. Given Comstar's integration guarantee, this list will grow as clients select different ePCR products. In most cases, bridge programming is required to make such integration successful. Comstar's IT staff performs the bridge programming at no additional cost to Comstar's clients. They also will work with your chosen ePCR software vendor, as your technical advocate, should you have any issue with their product.

"Comstar provides a cost effective ePCR Solution....."

Comstar has an ePCR Partnership Agreement with Zoll Data Systems. Ambulance services that desire to use the Zoll ePCR solution but do not have the capital resources to fund the cost of deployment, server setup and license purchase now have a cost effective alternative through Comstar. For more information, please contact Jeff Tassi immediately at 800-488-4351 or JTassi@comstarbilling.com. Jeff is prepared to demonstrate the Zoll ePCR product, discuss Comstar's capabilities to provide the web hosted solution, present a full service outline and discuss pricing.