



Providing Ambulance Billing Service to New England Since 1984

NEWSLETTER

from the desk of Rick Martin

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ANNUAL RATE CHANGE NEWSLETTER - UPDATED

The 2010 Medicare Rates were published on Friday, 12/18/09. **The rates are 7.4% lower than the 2009 rates.** Causes for the reduction include: 1) the Ambulance Inflation Factor (AIF) for 2010 is zero percent. 2) Temporary adjustments in 2009 were not renewed. 3) the final phase out of the New England regional rates. The link to the 2010 Medicare Rates is: http://www.cms.hhs.gov/AmbulanceFeeSchedule/02_afspuf.asp#TopOfPage

Given the rise in operating costs we have all experienced and the potential for reduced Medicare rates in 2010, I suggest all services begin evaluating the following option now: increase your billing rates, for some of you, significantly to garner more funds from payers with whom you do not have a fixed fee schedule agreement.

I included a rate change form with my 1st rate change newsletter. Should you choose to change your rates, please scan/e-mail or fax the completed form to me. I will mail out the 2010 Medicare fee schedule as soon as it becomes available.

This newsletter is not intended as legal advice. Consult an attorney for specific legal advice concerning your situation.

**I WISH YOU AND YOUR FAMILY
SAFE & HAPPY HOLIDAYS AND
GOOD HEALTH & PROSPERITY IN
2010**



Some basic information:

- 1) A service can set rates any way they want. OIG guidance on this matter is just that. There is no law stating rates must be justified by cost (ie.. my 1st sentence rules, except for CT clients)
- 2) Services that “get together to discuss / set their rates”, anti-trust issues can be raised by a party that feels damaged by these actions.

A few practical items:

- 1) As your billing agent, Comstar will bill any rates set by our clients.
- 2) If rates are set higher, Medicare +50%, 100%, 200%.....whatever you choose, it will increase payments from non-contracted payers.
- 3) It will also increase the size and amount of unpaid balances (by both patients and insurance carriers). We would need to discuss and define what procedures and to what degree you want these unpaid balances pursued, with the carrier, with the patient.....
- 4) Amount to be reviewed for write off will be higher, again an administrative and disposition decision process that we can discuss and mapped out.
- 5) Public perception and reaction. There will be one, which we will work with you to anticipate and manage issues likely to arise should you decide on a large increase in rates.

My advice: Do what’s best for your City or Town and service. Comstar has the staffing and expertise to support your direction 100%. In these challenging fiscal times, all revenue opportunities must be evaluated and informed decisions proactively made. **Please contact me anytime to discuss your specific situation.**

Happy Holidays to you and yours,

Rick

END