

114TH CONGRESS
1ST SESSION

H. R. 817

To suspend the implementation of zip code reclassifications for Medicare payment for ambulance services, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 9, 2015

Mr. NUNES (for himself, Mr. BOUSTANY, Mr. THOMPSON of California, Mr. LAMALFA, Mr. KELLY of Pennsylvania, Mr. VALADAO, Mr. COOK, and Mr. DEFAZIO) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To suspend the implementation of zip code reclassifications for Medicare payment for ambulance services, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fairness in Ambulance
5 Reimbursement Act of 2015”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) The Centers for Medicare & Medicaid Serv-
2 ices in both its proposed and final calendar year
3 2015 physician fee schedule rules made adjustments
4 to the geographic area designations used to calculate
5 payments for ambulance providers and suppliers and
6 misidentified the number of zip code designations
7 that would be impacted by the change.

8 (2) On July 11, 2014, the Centers for Medicare
9 & Medicaid Services published a proposal (79 FR
10 40375) informing the public that no zip codes in the
11 State of California, only two zip codes in the State
12 of Louisiana, and only one zip code in the State of
13 Texas would be changed based on the Office of Man-
14 agement and Budget’s revised delineations and up-
15 dated Rural-Urban Commuting Area codes.

16 (3) After publication of the zip code proposal,
17 the public had 60 days to submit comments, per the
18 requirements of the Administration Procedures Act.

19 (4) On November 13, 2014, the Centers for
20 Medicare & Medicaid Services published a final regu-
21 lation (79 FR 67748) informing the public, for the
22 first time, that 3.45 percent of zip codes (or 94 zip
23 codes) in the State of California, 13.67 percent of
24 zip codes (or 101 zip codes) in the State of Lou-
25 isiana, 5.96 percent of zip codes (or 155 zip codes)

1 in the State of Texas, and 7.1 percent of zip codes
2 (or 35 zip codes) in the State of Oregon would
3 change based on the Office of Management and
4 Budget's revised delineations of the Rural-Urban
5 Commuting Area codes.

6 (5) This change from the data that was pub-
7 lished in the proposed rule to the data that was pub-
8 lished in the final rule did not afford the public
9 proper notice and comment and therefore is an ap-
10 parent violation of the Administration Procedures
11 Act.

12 (6) Further, the corrected final list of zip code
13 changes was not posted until December 4, 2014, less
14 than a month before the new policy was imple-
15 mented on January 1, 2015, giving ambulance pro-
16 viders and suppliers insufficient time to prepare for
17 the change in reimbursement.

18 (7) The Centers for Medicare & Medicaid Serv-
19 ices also did not provide an impact analysis or cer-
20 tification determining whether there is a significant
21 economic impact on small entities, as required by
22 law.

23 (8) These changes will result in nearly 9 per-
24 cent cut in reimbursement under the Medicare pro-

1 gram for transports originating in areas losing rural
2 status.

3 **SEC. 3. SUSPENSION OF IMPLEMENTATION OF RURAL TO**
4 **URBAN ZIP CODE RECLASSIFICATIONS FOR**
5 **MEDICARE PAYMENT FOR AMBULANCE SERV-**
6 **ICES.**

7 (a) SUSPENSION OF RURAL TO URBAN ZIP CODE
8 RECLASSIFICATIONS.—Not later than July 1, 2015, the
9 Secretary of Health and Human Services shall issue a no-
10 tice suspending through December 31, 2015, the imple-
11 mentation of the reclassification of rural to urban zip
12 codes for payment for ambulance services under the fee
13 schedule under section 1834(l) of the Social Security Act
14 (42 U.S.C. 1395m(l)), as contained in the final rule pub-
15 lished by the Centers for Medicare & Medicaid Services
16 in the Federal Register on November 13, 2014 (76 Fed.
17 Reg. 67744 through 67750). The Secretary shall ensure,
18 subject to subsection (d)(1), that claims for payment
19 under the fee schedule under section 1834(l) of the Social
20 Security Act (42 U.S.C. 1395m(l)) for ambulance services
21 furnished during 2015 (beginning on July 1, 2015) are
22 paid as if the reclassification of rural to urban zip codes
23 applied under such final rule were the classification of zip
24 codes applied the day before the effective date of such final
25 rule.

1 (b) RECLASSIFICATIONS PURSUANT TO NOTICE AND
2 COMMENT RULEMAKING.—Not later than November 1,
3 2015, the Secretary of Health and Human Services shall,
4 through notice and comment rulemaking, reclassify rural
5 to urban zip codes for payment under the fee schedule
6 under section 1834(l) of the Social Security Act (42
7 U.S.C. 1395m(l)) for ambulance services furnished on or
8 after January 1, 2016, taking into account the revised ge-
9 ographic delineations of the Office of Management and
10 Budget, as described in the February 28, 2013 Office of
11 Management and Budget Bulletin No. 13–01.

12 (c) TREATMENT OF 2015 CLAIMS; BUDGET NEU-
13 TRALITY.—

14 (1) TREATMENT OF 2015 CLAIMS.—Nothing in
15 this section, or the amendment made by this section,
16 shall be construed as instructing the Secretary of
17 Health and Human Services to re-process any claims
18 for payment under the fee schedule under section
19 1834(l) of the Social Security Act (42 U.S.C.
20 1395m(l)) for ambulance services furnished during
21 2015.

22 (2) BUDGET NEUTRALITY.—

23 (A) DETERMINING AFFECT OF 2015 SUS-
24 PENSION.—The Secretary of Health and

1 Human Services shall estimate the amount, if
2 any, by which—

3 (i) the aggregate amount of payments
4 under the fee schedule under section
5 1834(l) of the Social Security Act (42
6 U.S.C. 1395m(l)) for ambulance services
7 furnished during 2015 after application of
8 subsection (a), exceeds

9 (ii) the aggregate amount of payments
10 that would have been made under such fee
11 schedule for such services furnished during
12 such year if subsection (a) had not been
13 enacted.

14 (B) ADJUSTMENTS IN 2016.—If the Sec-
15 retary estimates the amount under clause (i) of
16 subparagraph (A) exceeds the amount described
17 in clause (ii) of such subparagraph, the Sec-
18 retary shall, through notice and comment rule-
19 making, adjust payments under the fee schedule
20 under section 1834(l) of the Social Security Act
21 (42 U.S.C. 1395m(l)) for ambulance services
22 (other than air ambulance services) furnished
23 during 2016 such that the total amount of such
24 adjustments is equal to the amount by which

- 1 the amount described in such clause (i) exceeds
- 2 the amount described in such clause (ii).

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