

**Use of 2002 Fee Schedule for Rural Ground Ambulance (Independent Supplier)**

Reasonable charge IIC	Reasonable charge IIC x 80%	2002 fee schedule	2002 fee schedule x 20%	Total allowed charge
\$292.44	\$233.95	\$425.62	\$85.12	\$319.07

A Medicare beneficiary residing in Cottle County, Texas was transported via ground ambulance from home to the nearest appropriate facility located in Quanah, Texas. Cottle County, where the beneficiary was placed on board the ambulance, is a non-MSA, therefore, is considered rural for purposes of this fee schedule. A rural mileage rate will apply. The total distance from the beneficiary's home to the facility is 36 miles. A BLS non-emergency assessment was performed. The level of service will be BLS non-emergency.

For this part of Texas, the GPCI = 0.880. The proposed ambulance fee schedule amount will be calculated as follows--

36 mile trip = 17 miles at the 50% rural mileage increased rate plus 19 miles at the 25% rural mileage increased rate.

$$\text{Payment Rate} = [(RVU * (0.30 + (0.70 * GPCI))) * CF] + [(((1 + RG1) * MGR) * \#MILES \leq 17) + (((1 + RG2) * MGR) * \#MILES 18-50) + (MGR * \#MILES > 50)]$$

$$\text{Payment Rate} = [(1.00 * (0.30 + (0.70 * 0.880))) * 170.54] + [(((1.00 + 0.50) * 5.47) * 17.00) + (((1.00 + 0.25) * 5.47) * 19.00) + (5.47 * 0.00)]$$

$$\text{Payment Rate} = [(1.00 * (0.30 + 0.616)) * 170.54] + [((1.50 * 5.47) * 17.00) + ((1.25 * 5.47) * 19.00) + (0.00)]$$

$$\text{Payment Rate} = [(1.00 * 0.916) * 170.54] + [(8.21 * 17.00) + (6.84 * 19.00) + (0.00)]$$

$$\text{Payment Rate} = [0.916 * 170.54] + [139.49 + 129.91 + 0.00]$$

$$\text{Payment Rate} = [156.215] + [269.40]$$

$$\text{Payment Rate} = 425.615$$

$$\text{Payment Rate} = \$425.62 \text{ (subject to Part B deductible and coinsurance requirements)}$$

The total allowed charge for this service during 2002 is based on the following codes:

Old HCPCS Code(s) = A0300 and A0380

New HCPCS Code(s) = A0428 and A0425

Assuming application of the inflation indexed charge (IIC) in 2002, the reasonable charge rate for this service in Texas will be \$292.44 (\$152.76 for HCPCS A0300, \$3.88 X 36 miles for A0380).

Assuming that the Part B deductible was met, the program will pay 80 percent, and the beneficiary's liability will be 20 percent, representing the Part B coinsurance amount and the total allowed charge for this service during 2002 will be:

Medicare Payment (80%)	Beneficiary Liability (20%)
\$255.26	\$63.81