

# Understanding Ground Ambulance Charges

## Often Questioned

Here at the billing office, we are often questioned about the gross charge fee schedule used by our clients when billing. This is a line item list of charges that are included on the bill and combine to create a total dollar amount bill for the services offered by your EMS agency.



picture and ultimately how do they determine the overall success of your department's ambulance billing program.

We'll use this blog space for a few weeks to review what the charges do and look at topics such as who sets the charges and how are they determined, how do they play a role in your billing

## 3 Charge Types

There are basically three types of charges and they are Base Rates, Mileage and the all famous "Other" category.

Let's make an attempt to describe each type.

### Base Rates

For ground ambulance billing, a Base Rate typically depicts the level of service provided along with the priority. So an EMS agency, depending on the services they provide as licensed or permitted by either the State(s) and/or local municipality(ies) they serve, will most likely include these basic Base Rates as part of their gross charge fee schedule.

- ALS and/or BLS Emergency (Level I)
- ALS and/or BLS Non-Emergency (Level I)
- ALS 2
- Specialty Care Transport (SCT)

Of course, if your EMS agency provides other transportation options then you may also include Base Rate charges for stretcher van, invalid coach, wheelchair van and then there may be variations on the theme such as separate bariatric charges, event-related charges, payer specific charges, lift assist, treatment/no transport and so forth.

The charge is applied based on the level of service called for and/or provided which is supported by the field provider's documentation. A specific level of service code called a HCPCS or Healthcare Common Procedure Coding System code is applied in the billing office and computed out onto the bill submitted for reimbursement. The base rate charge is calculated using the number of individual usage units utilized in the ambulance scenario (typically 1 unit or 1 transport trip leg per incident.)

### Mileage

Mileage charges are set to typically depict the amount of what we call "loaded miles" which is the sum of the distance traveled when the patient is in the ambulance for transport. Mileage charges are set at a per mile rate and then multiplied by the number of miles traveled while transporting the patient.

Several years ago when the Centers for Medicare and Medicaid Services (CMS) mandated mileage to be billed to Medicare to the nearest tenth of a mile, it was necessitated that our charges be set to multiply when billing Medicare and those payers who followed suit and adopted a tenths of miles payment system, mileage calculation for billing was adjusted to account for the tenth factor.

Ground ambulance field providers are expected to record the odometer reading at the beginning of the transport or at the pick-up/origin location. Then upon arrival at the destination location where the patient has been delivered, the odometer reading value from the ambulance vehicle is once again recorded. The mileage amount billed is determined by the amount of miles traveled between the two points.

Again, when billing, a HCPCS code representing mileage billed is applied to the bill that is generated to the payer source. The per mile charge chosen by your EMS agency is multiplied by the number of miles incurred for that particular transport and added to the Base Rate to tally a final reimbursement amount that is sought for payment.

### "Other"

For simplicity sake, we lump any service provided and billed for into a catch-all category or "Other" bucket.

Some EMS agencies choose to break out certain adjunct charges which may or may not be paid as a separate line item. Once again, CMS/Medicare sets the tone for this about 15 years ago when they mandated what was then called a "Method 2" model for billing. The Method 2 model directed that Medicare would only pay for the Base Rate level of service and a corresponding Mileage charge.

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