

109TH CONGRESS
1ST SESSION

H. R. 2525

To amend title XVIII of the Social Security Act to make improvements to payments to ambulance providers in rural areas, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 23, 2005

Mr. KENNEDY of Minnesota (for himself, Mr. POMEROY, Mr. MORAN of Kansas, and Mr. GILLMOR) 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 amend title XVIII of the Social Security Act to make improvements to payments to ambulance providers in rural areas, 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 “Rural Access to Emer-
5 gency Services Act of 2005”.

1 **SEC. 2. COST-BASED CRITICAL ACCESS HOSPITAL AMBU-**
2 **LANCE SERVICES CHANGES.**

3 (a) IN GENERAL.—Section 1834(l)(8) of the Social
4 Security Act (42 U.S.C. 1395m(l)(8)) is amended—

5 (1) in subparagraph (B)—

6 (A) by striking “owned and”; and

7 (B) by inserting “(including when such
8 services are provided by the entity under an ar-
9 rangement with the hospital)” after “hospital”;
10 and

11 (2) by striking the comma at the end of sub-
12 paragraph (B) and all that follows and inserting a
13 period.

14 (b) EFFECTIVE DATE.—The amendments made by
15 this section shall apply to services furnished on or after
16 January 1, 2006.

17 **SEC. 3. PROVIDING APPROPRIATE COVERAGE OF RURAL**
18 **GROUND AMBULANCE SERVICES.**

19 (a) COVERAGE.—Section 1834(l) of the Social Secu-
20 rity Act (42 U.S.C. 1395m(l)) is amended by adding at
21 the end the following new paragraph:

22 “(15) PROVIDING APPROPRIATE COVERAGE OF
23 RURAL GROUND AMBULANCE SERVICES.—

24 “(A) IN GENERAL.—The regulations de-
25 scribed in section 1861(s)(7) shall provide, to
26 the extent that any ambulance services (wheth-

1 er ground or air) may be covered under such
2 section, that a rural ground ambulance service
3 (as defined in subparagraph (C)) is reimbursed
4 under this subsection at the ground ambulance
5 rate if the ground ambulance service—

6 “(i) is reasonable and necessary based
7 on the health condition of the individual
8 being transported at or immediately prior
9 to the time of the transport; and

10 “(ii) complies with equipment and
11 crew requirements established by the Sec-
12 retary.

13 “(B) PRUDENT LAYPERSON STANDARD AS
14 SATISFACTION OF REQUIREMENT OF MEDI-
15 CALLY NECESSARY.—The requirement of sub-
16 paragraph (A)(i) is deemed to be met for a
17 rural ground ambulance service if the request
18 for such ambulance service is made after the
19 sudden onset of a medical condition that would
20 be classified as an emergency medical condition
21 under section 1852(d)(3)(B).

22 “(C) RURAL GROUND AMBULANCE SERV-
23 ICE DEFINED.—For purposes of this paragraph,
24 the term ‘rural ground ambulance service’
25 means a ground ambulance service in which the

1 point of pick up of the individual occurs in a
 2 rural area identified by the Secretary under
 3 paragraph (16)(B).”.

4 (b) CONFORMING AMENDMENT.—Section 1861(s)(7)
 5 of such Act (42 U.S.C. 1395x(s)(7)) is amended by strik-
 6 ing “section 1834(l)(14)” and inserting “paragraphs (14)
 7 and (15) of section 1834(l)”.

8 (c) EFFECTIVE DATE.—The amendments made by
 9 this section shall apply to services furnished on or after
 10 January 1, 2006.

11 **SEC. 4. IMPROVEMENT IN PAYMENTS TO RETAIN EMER-**
 12 **GENCY AND OTHER CAPACITY FOR AMBU-**
 13 **LANCES IN RURAL AREAS.**

14 (a) IN GENERAL.—Section 1834(l) of the Social Se-
 15 curity Act (42 U.S.C. 1395m(l)), as amended by section
 16 3(a), is amended by adding at the end the following new
 17 paragraph:

18 “(16) ADDITIONAL PAYMENTS FOR PROVIDERS
 19 FURNISHING AMBULANCE SERVICES IN RURAL
 20 AREAS.—

21 “(A) IN GENERAL.—In the case of ground
 22 ambulance services furnished on or after Janu-
 23 ary 1, 2006, for which the transportation origi-
 24 nates in a rural area (as determined under sub-
 25 paragraph (B)), the Secretary shall provide for

1 a percent increase in the base rate of the fee
2 schedule for a trip identified under this sub-
3 section.

4 “(B) IDENTIFICATION OF RURAL AREAS.—
5 The Secretary, in consultation with the Office
6 of Rural Health Policy, shall use the Rural-
7 Urban Commuting Areas (RUCA) coding sys-
8 tem, adopted by that Office, to designate rural
9 areas for the purposes of this paragraph. A
10 rural area is any area in RUCA levels 2
11 through 10 and any unclassified area.

12 “(C) TIERING OF RURAL AREAS.—The
13 Secretary shall designate 4 tiers of rural areas,
14 using a ZIP Code population-based method-
15 ology generated by the RUCA coding system, as
16 follows:

17 “(i) TIER 1.—A rural area that is a
18 high metropolitan commuting area, in
19 which 30 percent or more of the com-
20 muting flow is to an urban area, as des-
21 ignated by the Bureau of the Census
22 (RUCA level 2).

23 “(ii) TIER 2.—A rural area that is a
24 low metropolitan commuting area, in which
25 less than 30 percent of the commuting flow

1 is to an urban area or to a large town, as
2 designated by the Bureau of the Census
3 (RUCA levels 3–6).

4 “(iii) TIER 3.—A rural area that is a
5 small town core, as designated by the Bu-
6 reau of the Census, in which no significant
7 portion of the commuting flow is to an
8 area of population greater than 10,000
9 people (RUCA levels 7–9).

10 “(iv) TIER 4.—A rural area in which
11 there is no dominant commuting flow
12 (RUCA level 10) and any unclassified area.

13 The Secretary shall consult with the Office of
14 Rural Health Policy not less often than every 2
15 years to update the designation of rural areas
16 in accordance with any changes that are made
17 to the RUCA system.

18 “(D) PAYMENT ADJUSTMENTS FOR TRIPS
19 IN RURAL AREAS.—The Secretary shall adjust
20 the payment rate under this section for ambu-
21 lance trips that originate in each of the tiers es-
22 tablished in subparagraph (C) according to the
23 national average cost of full-cost providers for
24 providing ambulance services in each such
25 tier.”.

1 (b) REVIEW OF PAYMENTS FOR RURAL AMBULANCE
2 SERVICES AND REPORT TO CONGRESS.—

3 (1) REVIEW.—Not later than July 1, 2008, the
4 Secretary of Health and Human Services shall re-
5 view the system for adjusting payments for rural
6 ambulance services under section 1834(l)(16) of the
7 Social Security Act, as added by subsection (a), to
8 determine the adequacy and appropriateness of such
9 adjustments. In conducting such review, the Sec-
10 retary shall consult with providers and suppliers af-
11 fected by such adjustments and with representatives
12 of the ambulance industry generally to determine—

13 (A) whether such adjustments adequately
14 cover the additional costs incurred in serving
15 areas of low population density; and

16 (B) whether the tiered structure for mak-
17 ing such adjustments appropriately reflects the
18 difference in costs of providing services in dif-
19 ferent types of rural areas.

20 (2) REPORT.—Not later than January 1, 2009,
21 the Secretary shall submit to Congress a report on
22 the review conducted under paragraph (1) together
23 with any recommendations for revision to the sys-
24 tems for adjusting payments for ambulance services

1 in rural areas that the Secretary of Health and
2 Human Services determines appropriate.

3 (c) CONFORMING AMENDMENTS.—(1) Section
4 1834(l) of the Social Security Act (42 U.S.C. 1395m(l)),
5 as amended by subsection (a), is amended by adding at
6 the end the following new paragraph:

7 “(17) DESIGNATION OF RURAL AREAS FOR
8 MILEAGE PAYMENT PURPOSES.—In establishing any
9 differential in the amount of payment for mileage
10 between rural and urban areas in the fee schedule
11 established under paragraph (1), the Secretary shall,
12 in the case of ambulance services furnished on or
13 after January 1, 2006, identify rural areas in the
14 same manner as provided in paragraph (16)(B).”

15 (2) Section 1834(l)(12)(A) of such Act (42 U.S.C.
16 1395m(l)(12)(A)) is amended by striking “January 1,
17 2010” and inserting “January 1, 2006”.

18 (3) Section 1834(l)(13)(A)(i) of such Act (42 U.S.C.
19 1395m(l)(13)(A)(i)) is amended by inserting “(or in the
20 case of such services furnished in 2006, in a rural area
21 identified by the Secretary under paragraph (16)(B))”
22 after “such paragraph”.

1 **SEC. 5. EXPANDING THE WORK OF MEDICARE QUALITY IM-**
2 **PROVEMENT ORGANIZATIONS TO INCLUDE**
3 **AMBULANCE PROVIDERS.**

4 (a) APPLICATION TO AMBULANCE PROVIDERS.—Sec-
5 tion 1154(a)(1) of the Social Security Act (42 U.S.C.
6 1320c–3(a)(1)) is amended by inserting “(including am-
7 bulance providers)” after “noninstitutional providers” in
8 the matter preceding subparagraph (A).

9 (b) EFFECTIVE DATE.—The amendment made by
10 this section shall apply on and after October 1, 2006.

11 **SEC. 6. INCLUDING AMBULANCE PROVIDERS IN THE DEFINI-**
12 **TION OF HEALTH CARE PROVIDER FOR**
13 **PURPOSES OF THE UNIVERSAL SERVICE**
14 **FUND.**

15 (a) IN GENERAL.—Section 254(h)(7)(B) of the Com-
16 munications Act of 1934 (47 U.S.C. 254(h)(7)(B)) is
17 amended—

18 (1) in clause (vi), by striking “and” at the end;

19 (2) by redesignating clause (vii) as clause (viii);

20 (3) in clause (viii), as so redesignated, by strik-
21 ing “(vi)” and inserting “(vii)”; and

22 (4) by inserting after clause (vi) the following
23 new clause:

24 “(vii) ambulance providers; and”.

25 (b) EFFECTIVE DATE.—The amendments made by
26 this section shall take effect on January 1, 2006.

1 **SEC. 7. EMERGENCY MEDICAL SERVICES DEMONSTRATION**

2 **PROJECT.**

3 (a) IN GENERAL.—

4 (1) IN GENERAL.—The Secretary of Health and
5 Human Services (in this section referred to as the
6 “Secretary”), acting through the Office of Rural
7 Health Policy, shall award grants to States to en-
8 courage such States to make improvements to their
9 emergency medical services (in this section referred
10 to as “EMS”) systems.

11 (2) ADMINISTRATION REQUIREMENT.—In order
12 to be eligible for a grant under this section, a State
13 shall administer the project jointly through the State
14 EMS office and the State rural health office. Either
15 such office may be the lead office for the project.

16 (3) NUMBER OF GRANTS.—The Secretary shall
17 award 3 grants under this section.

18 (4) MAXIMUM AMOUNT.—The Secretary shall
19 not award a grant under this section in an amount
20 which exceeds \$5,000,000.

21 (5) DURATION.—The Secretary shall award
22 grants under this section for a period not to exceed
23 3 years.

24 (b) TARGET.—A State that receives a grant under
25 this section shall, in determining how to allocate the as-
26 sistance received through such grant—

1 (1) target such assistance to geographic areas
2 that complete community EMS assessments and in-
3 formed self-determination processes; and

4 (2) consider progress toward E-911 and WE-
5 911 system capability.

6 (c) USE OF FUNDS.—Subject to subsection (b), a
7 State that receives a grant under this section may use as-
8 sistance received through such grant for the following:

9 (1) To integrate the State EMS systems with
10 the State and local health care delivery system, in-
11 cluding through exploring opportunities for ex-
12 panded EMS scopes of practice and piloting EMS-
13 based rural community health services.

14 (2) To explore alternative rural EMS funding
15 mechanisms with State insurance authorities.

16 (3) To form rural and frontier EMS operational
17 or service-contracting networks.

18 (4) To analyze rural and frontier workforce re-
19 cruitment and retention efforts and to develop state-
20 wide plans for improvement of such efforts.

21 (5) To deliver a rural EMS leadership and
22 management training model which includes EMS
23 leadership, grant writing, data collection, research,
24 governing board structure, and management of vol-
25 unteers.

1 (6) To establish at least one full-time position
2 of State EMS medical director (or an equivalent po-
3 sition).

4 (7) To develop flexible models for providing
5 EMS training and continuing education to rural and
6 frontier areas and to develop bridge training between
7 EMS providers and the nursing or other allied
8 health professions.

9 (8) To develop State and regional stockpiling
10 and sharing of expensive training devices, such as
11 mannequins and patient simulators.

12 (9) To develop and distribute, in partnership
13 with public health agencies, data-driven public infor-
14 mation resources to local EMS providers.

15 (10) To conduct comprehensive State EMS
16 communications needs assessments.

17 (11) To plan, integrate, and regulate, at the
18 State level, aeromedical, critical care transport and
19 other statewide or region wide systems of specialty
20 care and transportation.

21 (12) To consider the evolving role of telehealth
22 resources and their application to EMS patient man-
23 agement and medical oversight.

24 (13) To implement the National EMS Informa-
25 tion System.

1 (14) To link and integrate, at all levels, EMS
2 data systems with other relevant health information
3 systems, such as systems relating to traffic crash
4 data and other crash data, public health surveil-
5 lance, the medical examiner, hospital discharge data,
6 and emergency department data, and including the
7 Centers for Disease Control and Prevention surveil-
8 lance monitoring systems.

9 (d) APPLICATION.—

10 (1) IN GENERAL.—Each State desiring a grant
11 under this section shall submit an application to the
12 Secretary at such time, in such manner, and accom-
13 panied by such information as the Secretary may
14 reasonably require.

15 (2) CONTENTS.—Each application submitted
16 pursuant to paragraph (1) shall—

17 (A) describe the activities for which assist-
18 ance under this section is sought;

19 (B) provide assurances to the Secretary
20 that no law exists in the State that would pro-
21 hibit EMS personnel from practicing in non-
22 ambulance settings; and

23 (C) provide such additional assurances as
24 the Secretary determines to be essential to en-

1 sure compliance with the requirements of this
2 section.

3 (e) AUTHORIZATION OF APPROPRIATIONS.—There is
4 authorized to be appropriated \$15,000,000 to carry out
5 this section. Not more than 10 percent of amounts re-
6 ceived under a grant awarded under this section may be
7 used for administrative expenses.

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