State of California
Department of Industrial Relations
DIVISION OF WORKERS’ COMPENSATION



**Superseding Order of the Administrative Director of the**

**Division of Workers’ Compensation**

**Official Medical Fee Schedule – Ambulance Fee Schedule**

**Effective for Services Rendered on or after January 1, 2023**

The Administrative Director adopted the Calendar Year 2023 update to the Ambulance Fee Schedule by Order dated November 28, 2022, based upon the Medicare CY 2023 Ambulance Fee Schedule. Thereafter, on January 9, 2023, the Centers for Medicare and Medicaid Services (CMS) issued a revised Ambulance Fee Schedule for CY 2023 to implement provisions of federal legislation. CMS states that the Consolidated Appropriations Act, 2023, necessitates revision to the CY 2023 Ambulance Fee Schedule.

“Section 4103 of the Consolidated Appropriations Act, 2023 extended payment provisions of previous legislation including the Bipartisan Budget Act (BBA) of 2018, the Medicare and CHIP Reauthorization Act (MACRA) of 2015, Protecting Access to Medicare Act of 2014, the Pathway for SGR Reform Act of 2013, the American Taxpayer Relief Act of 2012, the Middle Class Tax Relief and Job Creation Act of 2012, the Temporary Payroll Tax Cut Continuation Act of 2011, the Medicare and Medicaid Extenders Act of 2010, the Patient Protections and Affordable Care Act of 2010 (ACA), and the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA).

Section 4103 (1) of the Consolidated Appropriations Act, 2023 includes an extension of the temporary add-on payment under section 1834 (l)(12)(A) of the Act that were set to expire on December 31, 2022. They are extended through December 31, 2024. The temporary add-on payment includes a 22.6% increase in the base rate for ground ambulance transports that originate in an area that’s within the lowest 25th percentile of all rural areas arrayed by population density (known as the “super rural” bonus).

Section 4103(2) of the Consolidated Appropriations Act, 2023 includes an extension of the temporary add-on payments under section 1834 (l)(13)(A) of the Social Security Act (the Act) that were set to expire on December 31, 2022. They are extended through December 31, 2024. The temporary add-on payments include: 3% increase in the base and mileage rate for ground ambulance services that originate in rural areas (as defined by the ZIP code of the point of pickup) and a 2% increase in the base and mileage rate for ground ambulance services that originate in urban areas (as defined by the ZIP code of the point of pickup).

The CY 2023 AFS PUF includes three temporary add-on payments in the calculation and is available in the downloads section below.”

[CMS website: https://www.cms.gov/medicare/medicare-fee-for-service-payment/ambulancefeeschedule/afspuf]

The Administrative Director issues this Order effective for services on or after January 1, 2023, to supersede the Order dated November 28, 2022.

Pursuant to Labor Code section 5307.1(g), the Administrative Director of the Division of Workers’ Compensation orders that Title 8, California Code of Regulations, section 9789.70, pertaining to Ambulance Services in the Official Medical Fee Schedule (OMFS), is adjusted to conform to the 2023 changes to the Medicare payment system.

Medicare Data Source and Incorporation by Reference

Effective for services rendered on or after January 1, 2023, the maximum reasonable fees for ambulance services shall not exceed 120% of the applicable California fees (as determined by the applicable locality / Geographic Area) set forth in the calendar year 2023 Medicare Ambulance Fee Schedule (AFS) File updated 01/09/2023, and based upon the documents incorporated by reference.

The Administrative Director adopts and incorporates by reference the following Centers for Medicare and Medicaid Services (CMS) files / data from the CMS website:

1) The CY 2023 Ambulance Fee Schedule (AFS) File [CY 2023 File – Updated 01/09/2023 (ZIP)](https://www.cms.gov/files/zip/cy-2023-file-updated-01/09/2023.zip), which includes the following electronic files:

1. AFS2023\_PUF\_

2. Geographic\_Area\_2023

3. 508-Version-Geographic\_Area\_2023

4. 508-Version-AFS2023\_PUF

2) The [Zip Code to Carrier Locality File - Revised 11/15/2022 (ZIP)](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ProspMedicareFeeSvcPmtGen/Downloads/Zip-Code-to-Carrier-Locality.zip), which includes the following electronic files:

1. ZIP5\_JAN2023.txt

2. ZIP5\_JAN2023.xlsx

3. ZIP5lyout.txt

4. ZIP9\_JAN2023.txt

5. ZIP9lyout.txt

3) The [Zip Codes requiring 4 extension - Revised 11/15/2022 (ZIP)](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ProspMedicareFeeSvcPmtGen/Downloads/ZIP5-requiring-4ext.zip), which includes the following electronic file:

* ZIP5\_requring +4ext\_dec22\_jan23.txt

4) The CMS website provisions setting forth the Data Elements of the Ambulance Fee Schedule public use data file and the Relative Value Units (RVUs) which are incorporated into this Order as the “Attachment to Administrative Director Order dated 1/24/2023”

The attachment excludes references to air ambulance services as they are exempt from the workers’ compensation fee schedule pursuant to title 8, California Code of Regulations section 9789.70(b).

The Centers for Medicare and Medicaid Services (CMS) announced the CY 2023 Ambulance Inflation Factor (AIF) in CMS Manual System Transmittal No. 11044, Change Request 12948 to Pub. 100-04, dated October 13, 2022. [CMS Manual System Transmittal No.11642](https://www.cms.gov/files/document/r11044cp.pdf) is published on the CMS website.

The Centers for Medicare and Medicaid Services has determined that the AIF for Calendar Year 2023 is 8.7 percent (8.7%). This figure results from the subtraction of the 10-year moving average of changes in annual economy-wide private non-farm business Total Factor Productivity (TFP) from the consumer price index for all urban consumers (CPI-U). (The TFP for CY 2023 is 0.4 percent and the CPI-U for 2023 is 9.1.) For services provided on or after January 1, 2023, the AIF is included in the ambulance service fees set forth in the CY 2023 - Ambulance Fee Schedule (AFS) File.

This Order and attachment shall be published on the OMFS’ [Ambulance Fee Schedule webpage](https://www.dir.ca.gov/dwc/OMFS9904.htm#1) of the Division of Workers’ Compensation.

**IT IS SO ORDERED.**

Dated: January 24, 2023 /S/ GEORGE P. PARISOTTO\_\_\_\_\_\_\_

GEORGE P. PARISOTTO

Administrative Director of the

Division of Workers’ Compensation

Attachment to Administrative Director Order dated 1/24/2023

Excerpt of [Centers for Medicare and Medicaid Services (CMS) Ambulance Fee Schedule Pubic Use Files web page](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AmbulanceFeeSchedule/afspuf) (accessed 1/24/2023) [Material in brackets are comments added by Division of Workers’ Compensation]

**Ambulance Fee Schedule Public Use Files**

[Background information omitted; access on the above-referenced webpage.]

**Data Elements of the AFS Data File**

1. **Contractor: This is the identifier used by the CMS** to identify the entity which has the responsibility for adjudicating and paying claims within a defined geographical location.

Part A MACs pay for ambulance services based on the ZIP code within the appropriate carrier geographic location.
2. **Locality:** This field represents subsets of locations within a defined jurisdiction with different geographic practice cost indices (GPCIs).
3. **HCPCS:** This field lists the associated HCPCS codes that are reported for services payable under the AFS.
4. **Relative Value Units (RVU):** RVUs set a numeric value for ambulance services relative to the value of a base level ambulance service. Since there are marked differences in resources necessary to furnish the various levels of ground ambulance services, different levels of payment are appropriate for the various levels of service. The different payment amounts are based on level of service. An RVU expresses the constant multiplier for a particular type of service (including, where appropriate, an emergency response). An RVU of 1.00 is assigned to the Basic Life Support (BLS) level of ground service, i.e., BLS has an RVU of 1; higher RVU values are assigned to the other types of ground ambulance services, which require a higher level of service than BLS.

**RVUs**

| **Service Level (HCPCS Code)** | **RVU** |
| --- | --- |
| Basic Life Support, Non-emergency (BLS) (A0428) | 1.00 |
| Basic Life Support, emergency (BLS- Emergency) (A0429) | 1.60 |
| Advanced Life Support, non-emergency, Level 1 (ALS1) (A0426) | 1.20 |
| Advanced Life Support, emergency, Level 1 (ALS1- Emergency) (A0427) | 1.90 |
| Advanced Life Support, Level 2 (ALS2) (A0433) | 2.75 |
| Specialty Care Transport (SCT) (A0434) | 3.25 |
| Paramedic Intercept (PI) (A0432) | 1.75 |

[CMS Medicare information regarding air ambulance omitted pursuant 8 CCR 9789.70(b) as it is not applicable for workers’ compensation.]

1. **Geographic Practice Cost Index (GPCI):** The non-facility practice expense (PE) portion of the GCPI of the Medicare physician fee schedule (PFS) is used to adjust payment to account for regional differences. The geographic areas applicable to the AFS are the same as those used for the PFS.

The location where the beneficiary was put into the ambulance (“point of pickup”) establishes which GPCI applies. [CMS Medicare information regarding air ambulance omitted pursuant 8 CCR 9789.70(b) as it is not applicable for workers’ compensation.]

Thus, for the second (or any subsequent) leg of a transport, the point of pickup establishes the applicable GPCI for that portion of the ambulance transport. The GPCI is not applied to the mileage payment.
2. **Base Rate:** The Base Rate is a nationally uniform dollar amount used to calculate each HCPCS code payment amount, updated annually by the ambulance inflation factor (AIF).
3. **(a) - Urban Base Rate/Urban Mileage**

This field displays 1 of 4 rates calculated as such for 2023:

1. Urban ground adjusted base rates – (RVU\*(.3+ (.7\*GPCI)))\*BASE RATE\* 1.02
2. [CMS Medicare information regarding air ambulance omitted pursuant 8 CCR 9789.70(b) as it is not applicable for workers’ compensation.]
3. Urban ground mileage rates – BASE RATE\*1.02
4. [CMS Medicare information regarding air ambulance omitted pursuant 8 CCR 9789.70(b) as it is not applicable for workers’ compensation.]

[See the AFS final rule published in the Federal Register on February 27, 2002 (67 FR 9100) (PDF)](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AmbulanceFeeSchedule/Downloads/Ground-Ambulance-Data-Collection-System-Sampling-Instrument-Considerations-Recommendations.pdf) for more information on how we calculate the urban base rate and mileage rate amounts.

1. **(b) - Rural Base Rate/Rural Mileage**

This field displays 1 of 4 rates calculated as such for 2023:

1. Rural ground adjusted base rates – (RVU\*(.3+ (.7\*GPCI)))\*BASE RATE\* 1.03
2. [CMS Medicare information regarding air ambulance omitted pursuant 8 CCR 9789.70(b) as it is not applicable for workers’ compensation.]
3. Rural ground mileage rates – BASE RATE\*1.03
4. [CMS Medicare information regarding air ambulance omitted pursuant 8 CCR 9789.70(b) as it is not applicable for workers’ compensation.]

[CMS Medicare information regarding air ambulance omitted pursuant 8 CCR 9789.70(b) as it is not applicable for workers’ compensation.]

[See the AFS final rule published in the Federal Register on February 27, 2002 (67 FR 9100) (PDF)](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AmbulanceFeeSchedule/Downloads/Ground-Ambulance-Data-Collection-System-Sampling-Instrument-Considerations-Recommendations.pdf) for more information on how we calculate the rural base rate and mileage rate amounts.

1. **(c) - Rural Base Rate/Lowest Quartile**

The “super-rural bonus” payment rate applies only to ground ambulance transports originating in a rural area determined by the Secretary to be in the lowest 25th percentile of all rural populations arrayed by population density. The MACs will apply this amount to the base rate when the point of pickup (POP) is in one of a group of designated rural ZIP codes. To calculate the “super-rural bonus” payment rate of 22.6%, multiply any rural ground ambulance transport service payment rate by .226. For example, for HCPCS A0428 (BLS), for Carrier 01112, Locality 05, use the rural rate of $345.11 and multiply by .226 for a bonus payment rate (345.11\*.226 = 77.99) and then add that bonus rate to the rural rate (345.11+ 77.99=423.10).
2. **Rural Ground Miles 1-17**

This field displays the amounts for rural ground miles 1-17.

For ground rural miles 1-17, the mileage rate for ground transports provided in a rural area is 1.5 times the rural mileage rate per mile.

The urban ground mileage rate applies to all miles of an ambulance transport originating in an urban area.

[CMS Medicare information regarding air ambulance omitted pursuant 8 CCR 9789.70(b) as it is not applicable for workers’ compensation.]

[See 42 CFR § 414.610(c)(5)(i) for more information](https://www.ecfr.gov/current/title-42/chapter-IV/subchapter-B/part-414/subpart-H/section-414.610).