

112TH CONGRESS  
1ST SESSION

# S. 1407

To amend title XVIII of the Social Security Act to establish accreditation requirements for suppliers and providers of air ambulance services, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JULY 22, 2011

Ms. SNOWE (for herself and Ms. CANTWELL) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend title XVIII of the Social Security Act to establish accreditation requirements for suppliers and providers of air 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 “Air Ambulance Medi-  
5 care Accreditation and Accountability Act”.

6 **SEC. 2. ACCREDITATION REQUIREMENT.**

7 (a) IN GENERAL.—Section 1834 of the Social Secu-  
8 rity Act (42 U.S.C. 1395m) is amended by adding at the  
9 end the following new subsection:

1       “(p) ACCREDITATION REQUIREMENT FOR AIR AMBU-  
2 LANCE SERVICES.—

3           “(1) IN GENERAL.—Beginning with the date  
4 that is 2 years after the date of enactment of the  
5 Air Ambulance Medicare Accreditation and Account-  
6 ability Act, with respect to air ambulance services  
7 for which payment is made under the fee schedule  
8 established under subsection (l) and that are fur-  
9 nished by a supplier or provider (directly or under  
10 an arrangement described in subsection (l)(1)), pay-  
11 ment may only be made for such services provided  
12 by an air ambulance if—

13           “(A) the supplier or provider provides for  
14 appropriate medical oversight by a physician  
15 (as determined by the Secretary); and

16           “(B) except as provided in paragraph (5),  
17 the air ambulance is accredited by an accredita-  
18 tion organization designated by the Secretary  
19 under paragraph (3)(B) as a level III or higher  
20 air ambulance.

21           “(2) ACCREDITATION LEVELS.—The Secretary  
22 shall establish a process for accrediting the air am-  
23 bulances of suppliers and providers of air ambulance  
24 services. Under such process, an accreditation orga-  
25 nization designated by the Secretary under para-

1 graph (3)(B) may accredit an air ambulance of a  
2 supplier or provider of air ambulance services at any  
3 of the following levels (listed from lowest to highest  
4 level of accreditation):

5 “(A) LEVEL III.—The air ambulance—

6 “(i) has the capability and scope of  
7 practice to provide advanced resuscitation  
8 during transport, including the criteria de-  
9 scribed in paragraph (4)(B); and

10 “(ii) meets such other criteria as the  
11 Secretary determines appropriate for such  
12 accreditation.

13 “(B) LEVEL II.—The air ambulance—

14 “(i) meets the criteria for being ac-  
15 credited as a level III air ambulance (as  
16 described in subparagraph (A));

17 “(ii) has the capability to provide care  
18 during transport at the level of care and  
19 scope of practice of a hospital emergency  
20 department, including the criteria de-  
21 scribed in paragraph (4)(C); and

22 “(iii) meets such other criteria as the  
23 Secretary determines appropriate for such  
24 accreditation.

25 “(C) LEVEL I.—The air ambulance—

1           “(i) meets the criteria for being ac-  
2           credited as a level II air ambulance (as de-  
3           scribed in subparagraph (B));

4           “(ii) has the capability to provide care  
5           during transport at the level of care and  
6           scope of practice of a tertiary level inten-  
7           sive care unit, including the criteria de-  
8           scribed in paragraph (4)(D); and

9           “(iii) meets such other criteria as the  
10          Secretary determines appropriate for such  
11          accreditation.

12          “(3) ACCREDITATION ORGANIZATIONS.—

13                 “(A) FACTORS FOR DESIGNATION OF AC-  
14                 CREDITATION ORGANIZATIONS.—The Secretary  
15                 shall consider the following factors in desig-  
16                 nating accreditation organizations under sub-  
17                 paragraph (B) and in reviewing and updating  
18                 the list of accreditation organizations des-  
19                 ignated pursuant to subparagraph (C):

20                         “(i) The ability of the organization to  
21                         provide timely reviews of applications for  
22                         such accreditation.

23                         “(ii) Whether the organization uses  
24                         random site visits, audits, or other strate-

1                   gies to ensure adherence to the accredita-  
2                   tion criteria described in paragraph (2).

3                   “(iii) The ability of the organization  
4                   to take into account the capacities of and  
5                   special circumstances applicable to air am-  
6                   bulances of suppliers or providers of air  
7                   ambulance services located in a rural area  
8                   (as defined in section 1886(d)(2)(D)).

9                   “(iv) The ability of the organization  
10                  to take into account the capacities of and  
11                  special circumstances applicable to air am-  
12                  bulances owned and operated by units of  
13                  State or local government.

14                  “(v) Whether the organization has es-  
15                  tablished reasonable fees for such accredi-  
16                  tation.

17                  “(vi) Whether the organization has  
18                  applicable accreditation experience.

19                  “(vii) Whether the organization has  
20                  developed an accreditation program that is  
21                  adequate and appropriate to the goal of  
22                  ensuring high-caliber air ambulance serv-  
23                  ices.

1           “(viii) The ability of the organization  
2           to effectively enforce the accreditation cri-  
3           teria described in paragraph (2).

4           “(ix) Such additional factors specified  
5           by the Secretary regarding quality, medical  
6           services, and emergency medical services  
7           integration.

8           “(x) Such other factors as the Sec-  
9           retary determines appropriate.

10          “(B) DESIGNATION.—The Secretary shall  
11          designate organizations to accredit air ambu-  
12          lances of suppliers and providers of air ambu-  
13          lance services under this subsection. The list of  
14          accreditation organizations so designated may  
15          be modified pursuant to subparagraph (C).

16          “(C) REVIEW AND MODIFICATION OF LIST  
17          OF ACCREDITATION ORGANIZATIONS.—

18          “(i) IN GENERAL.—The Secretary  
19          shall review the list of accreditation organi-  
20          zations designated under subparagraph (B)  
21          taking into account the factors under sub-  
22          paragraph (A). Taking into account the re-  
23          sults of such review, the Secretary may, by  
24          regulation, modify the list of accreditation

1 organizations designated under subpara-  
2 graph (B).

3 “(ii) SPECIAL RULE FOR ACCREDITA-  
4 TIONS DONE PRIOR TO REMOVAL FROM  
5 LIST OF DESIGNATED ACCREDITATION OR-  
6 GANIZATIONS.—In the case where the Sec-  
7 retary removes an organization from the  
8 list of accreditation organizations des-  
9 ignated under subparagraph (B), any air  
10 ambulance of a supplier or provider that is  
11 accredited by the organization during the  
12 period beginning on the date on which the  
13 organization is designated as an accredita-  
14 tion organization under subparagraph (B)  
15 and ending on the date on which the orga-  
16 nization is removed from such list shall be  
17 considered to have been accredited by an  
18 organization designated by the Secretary  
19 under subparagraph (B) for the remaining  
20 period such accreditation is in effect.

21 “(4) CRITERIA FOR ACCREDITATION.—

22 “(A) IN GENERAL.—Not later than 1 year  
23 after the date of enactment of the Air Ambu-  
24 lance Medicare Accreditation and Accountability  
25 Act, the Secretary shall establish criteria for

1 use by an accreditation organization designated  
2 under paragraph (3)(B) to evaluate an air am-  
3 bulance of a supplier or provider of air ambu-  
4 lance services for the purpose of accreditation  
5 of such air ambulance. Such criteria shall be  
6 specific to each accreditation level described in  
7 paragraph (2) and include, at a minimum, the  
8 criteria applicable to such level under such  
9 paragraph.

10 “(B) LEVEL III CRITERIA DESCRIBED.—In  
11 the case of accreditation of an air ambulance of  
12 a supplier or provider as a level III air ambu-  
13 lance, the criteria described in subparagraph  
14 (A) shall include the following:

15 “(i) PROVISION OF PATIENT CARE.—  
16 Minimum accreditation criteria related to  
17 the provision of patient care, including—

18 “(I) standards that require the  
19 air ambulance to have available dur-  
20 ing transport, medical equipment for  
21 the proper provision of patient care  
22 consistent with the provision of ad-  
23 vanced resuscitation and life support,  
24 including communications necessary  
25 for the coordination of patient care,

1 patient monitoring systems, on-board  
2 suction, oxygen, and electrical systems  
3 to maintain medical devices;

4 “(II) standards for maintaining a  
5 medically suitable patient care envi-  
6 ronment (including sanitation and in-  
7 fection control and permanently in-  
8 stalled climate control);

9 “(III) standards for the design of  
10 aircraft medical bays to ensure access  
11 to medical equipment and patients in  
12 a manner that enables the medical  
13 crew to perform basic and advanced  
14 resuscitation and life support medical  
15 interventions while secure;

16 “(IV) standards for the medical  
17 training and qualifications of the med-  
18 ical crew of the air ambulance;

19 “(V) standards for medical over-  
20 sight;

21 “(VI) standards for the makeup  
22 of the medical crew of the air ambu-  
23 lance and for the equipment and air-  
24 craft attributes needed for specific  
25 medical missions; and

1           “(VII) standards and reporting  
2 requirements related to quality assur-  
3 ance, peer review, and outcomes and  
4 proficiency measures.

5           “(ii) SERVICE REQUIREMENTS.—In  
6 the case of air ambulance services fur-  
7 nished in a State that does not impose  
8 minimum service requirements related to  
9 appropriate utilization and transport, such  
10 minimum service requirements, including—

11           “(I) standards for licensing by  
12 the State;

13           “(II) standards for transport  
14 from emergency scene calls of all indi-  
15 viduals regardless of ability to pay;

16           “(III) standards for minimum  
17 availability for scene response (weath-  
18 er permitting);

19           “(IV) standards for response to  
20 emergency scene calls within a speci-  
21 fied flight time;

22           “(V) standards for adherence to  
23 established criteria for the appropriate  
24 medical institution to receive a patient  
25 from emergency scene responses (in-

1 including such criteria published by ap-  
2 propriate professional medical associa-  
3 tions); and

4 “(VI) standards for appropriate  
5 utilization and transport.

6 “(C) LEVEL II CRITERIA DESCRIBED.—In  
7 the case of accreditation of an air ambulance of  
8 a supplier or provider as a level II air ambu-  
9 lance, the criteria described in subparagraph  
10 (A) shall include the capability to provide care  
11 during transport at the level of care and scope  
12 of practice of a hospital emergency department,  
13 including—

14 “(i) standards that require the air  
15 ambulance to—

16 “(I) be equipped with a ventilator  
17 fully capable of volume or pressure  
18 modes of ventilation; and

19 “(II) be equipped with multiple  
20 infusion pumps and use a pharma-  
21 ceutical formulary;

22 “(ii) standards that require the air  
23 ambulance and, as needed, medical per-  
24 sonnel to have the capability to conduct  
25 invasive patient monitoring; and

1           “(iii) standards for advanced quali-  
2           fications, capability, and training of med-  
3           ical personnel of the air ambulance (such  
4           as standards for monitoring high-risk pa-  
5           tients, managing critical care pharma-  
6           ceuticals and blood, and point of care blood  
7           testing).

8           “(D) LEVEL I CRITERIA DESCRIBED.—In  
9           the case of accreditation of an air ambulance of  
10          a supplier or provider as a level I air ambu-  
11          lance, the criteria described in subparagraph  
12          (A) shall include the capability to provide care  
13          during transport at the level of care and scope  
14          of practice of a tertiary level intensive care unit,  
15          including—

16               “(i) standards that require the air  
17               ambulance and, as needed, medical per-  
18               sonnel—

19                       “(I) to have the capability to  
20                       transport specialty care patients (in-  
21                       cluding those on intra-aortic balloon  
22                       pumps, extracorporeal membrane oxy-  
23                       genation, ventricular assist devices, or  
24                       isolettes and high-risk obstetric pa-  
25                       tients);

1                   “(II) to have the capability to  
2                   provide critical care transport for an  
3                   adult patient for not less than 100  
4                   miles without refueling; and

5                   “(III) to have within the medical  
6                   bay of the air ambulance sufficient  
7                   space and the capability to provide, as  
8                   needed, either 3 person teams (such  
9                   as in the case of patients with a  
10                  ventricular assist device or patients  
11                  needing critical care services) or to  
12                  provide care for 2 patients needing  
13                  critical care services simultaneously;

14                  “(ii) standards for sufficient power,  
15                  configuration, and design of the medical  
16                  bay of the air ambulance to provide critical  
17                  care services during transport without de-  
18                  laying transport or compromising electrical  
19                  systems supporting medical devices; and

20                  “(iii) standards that require the air  
21                  ambulance to be equipped with multiple in-  
22                  fusion pumps and use a pharmaceutical  
23                  formulary consistent with critical care pro-  
24                  vided in a tertiary level intensive care unit.

1           “(E) REQUIREMENTS.—The Secretary  
2 shall consider the following in establishing cri-  
3 teria under subparagraph (A):

4           “(i) Ensuring that the criteria de-  
5 scribed in such subparagraph does not ad-  
6 versely impact access to air ambulances for  
7 individuals, particularly in rural areas.

8           “(ii) The needs of—

9           “(I) suppliers and providers of  
10 air ambulance services located in a  
11 rural area (as defined in section  
12 1886(d)(2)(D)); and

13           “(II) air ambulances owned and  
14 operated by units of State or local  
15 government.

16           “(iii) The extent to which each of the  
17 criteria is economically feasible, particu-  
18 larly in rural areas (as so defined).

19           “(iv) The extent to which each of the  
20 criteria is technically feasible, as well as  
21 market availability and future development  
22 of equipment and products that can be in-  
23 stalled on or carried aboard existing air-  
24 craft.

1           “(v) The incorporation of appropriate  
2           implementation timeframes for the criteria  
3           in a manner that does not impede access,  
4           particularly in rural areas (as so defined).

5           “(vi) Ensuring that the criteria is de-  
6           veloped and established through a trans-  
7           parent process with the input of stake-  
8           holders.

9           “(vii) Ensuring that the criteria in-  
10          cludes a requirement that the supplier or  
11          provider of air ambulance services follows  
12          an internal policy that provides clear direc-  
13          tion on the distribution to and receipt of  
14          gifts from referring individuals or entities,  
15          including clear limitations on the provision  
16          of such gifts beyond those of nominal  
17          value.

18          “(viii) Ensuring regular updating of  
19          the criteria.

20          “(5) EXCEPTION.—During the 3-year period  
21          beginning on the effective date of the accreditation  
22          requirement under paragraph (1)(B), the Secretary  
23          shall exempt an air ambulance of a supplier or pro-  
24          vider from such accreditation requirement if the ap-  
25          plication of such requirement to the air ambulance

1 would require the supplier or provider to replace its  
2 air ambulance or would impose on the supplier or  
3 provider an undue economic burden with respect to  
4 compliance costs.

5 “(6) DATA COLLECTION REQUIREMENTS.—The  
6 Secretary shall establish the following requirements  
7 for the collection of data related to the utilization of  
8 such services:

9 “(A) The establishment of protocols for the  
10 collection and reporting of data by the supplier  
11 or provider of air ambulance services regarding  
12 patient transport provided from the scene of an  
13 incident and during an inter-hospital transfer,  
14 including information regarding—

15 “(i) patient on-board mileage for  
16 ground and air transport; and

17 “(ii) the involvement of ground ambu-  
18 lance transportation in any portions or  
19 segments of the transportation of the pa-  
20 tient.

21 “(B) The collection and reporting of infor-  
22 mation obtained via data use agreements with  
23 receiving institutions regarding the rates of dis-  
24 charge from the hospital emergency department  
25 of patients after transport by air ambulance, in-

1 including assessment of injury and illness to de-  
 2 scribe utilization appropriateness.

3 “(C) The collection and reporting of infor-  
 4 mation regarding the extent to which air ambu-  
 5 lance transports, other than those by specialized  
 6 pediatric and newborn transport teams, are to  
 7 receiving institutions with whom the supplier or  
 8 provider of air ambulance services is affiliated  
 9 or has a contractual arrangement for receiving  
 10 hospital destination.

11 “(7) DEFINITION OF AIR AMBULANCE SERV-  
 12 ICE.—For purposes of this subsection, the term ‘air  
 13 ambulance service’ means a fixed wing or a rotary  
 14 wing air ambulance service.”.

15 (b) CONFORMING AMENDMENTS.—Section 1862(a)  
 16 of the Social Security Act (42 U.S.C. 1395y(a)) is amend-  
 17 ed—

18 (1) in paragraph (24), by striking “or” at the  
 19 end;

20 (2) in paragraph (25), by striking the period at  
 21 the end and inserting “; or”; and

22 (3) by adding at the end the following new  
 23 paragraph:

24 “(26) beginning with the date that is 2 years  
 25 after the date of enactment of the Air Ambulance

1 Medicare Accreditation and Accountability Act,  
2 which are air ambulance services (as defined in sec-  
3 tion 1834(p)(7)) for which payment is made under  
4 the fee schedule established under section 1834(l)  
5 and that are furnished by a supplier or provider (di-  
6 rectly or under an arrangement described in section  
7 1834(l)(1)), if the requirements described in section  
8 1834(p)(1) are not met.”.

9 (c) RELATIONSHIP TO STATE LICENSURE REQUIRE-  
10 MENTS.—

11 (1) IN GENERAL.—Nothing in this Act or the  
12 amendments made by this Act shall affect any re-  
13 quirement that a supplier or provider of air ambu-  
14 lance services comply with State or local laws gov-  
15 erning the licensing and certification of such sup-  
16 plier or provider, an air ambulance, or the medical  
17 personnel of an air ambulance.

18 (2) PREEMPTION.—Nothing in this Act or the  
19 Amendments made by this Act shall preempt a State  
20 or local government from establishing licensure or  
21 other requirements for suppliers or providers of air  
22 ambulance services that exceed the criteria estab-  
23 lished by the Secretary of Health and Human Serv-  
24 ices for purposes of accreditation of air ambulances  
25 under section 1834(p) of the Social Security Act, as

1 added by subsection (a), except to the extent that  
2 the requirement directly conflicts with a requirement  
3 under such subsection or other applicable Federal  
4 law.

5 **SEC. 3. REIMBURSEMENT FOR AIR AMBULANCE SERVICES**  
6 **UNDER MEDICAID.**

7 Section 1903(i) of the Social Security Act (42 U.S.C.  
8 1396b(i)), as amended by section 2001(a)(2)(B) of the  
9 Patient Protection and Affordable Care Act (Public Law  
10 111–148), is amended—

11 (1) in paragraph (25), by striking “or” at the  
12 end;

13 (2) in paragraph (26), by striking the period at  
14 the end and inserting “; or”; and

15 (3) by inserting after paragraph (26) the fol-  
16 lowing new paragraph:

17 “(27) with respect to amounts expended for the  
18 transport by an air ambulance of a patient, in an  
19 emergency or nonemergency situation (in this para-  
20 graph referred to as ‘air ambulance services’), or for  
21 any medical services provided to the patient in the  
22 course of such transport, unless—

23 “(A) not later than 180 days after the date  
24 of enactment of this paragraph, the State sub-  
25 mits a State plan amendment to the Secretary

1 that describes the State’s licensing and regu-  
2 latory requirements for the provision of air am-  
3 bulance services within the State, including—

4 “(i) such requirements relating to the  
5 provision of medical services in the course  
6 of transport by air ambulance;

7 “(ii) the State’s medically-related use  
8 and dispatch protocols for air ambulance  
9 services;

10 “(iii) whether the State imposes min-  
11 imum service requirements described under  
12 section 1834(p)(4)(B)(ii); and

13 “(iv) any other relevant information,  
14 as determined appropriate by the Sec-  
15 retary; and

16 “(B) not later than January 1, 2015, the  
17 State certifies to the Secretary that the State’s  
18 licensing and regulatory requirements for the  
19 provision of air ambulance services within the  
20 State comply with national guidelines published  
21 by the Federal Interagency Committee on  
22 Emergency Medical Services for the use and  
23 dispatch of air ambulance services.”.

1 **SEC. 4. REIMBURSEMENT FOR AIR AMBULANCE SERVICES**  
2 **UNDER MEDICARE.**

3 (a) IN GENERAL.—Section 1834(l) of the Social Se-  
4 curity Act (42 U.S.C. 1395m(l)) is amended by adding  
5 at the end the following new paragraph:

6 “(15) PAYMENT FOR AIR AMBULANCE SERV-  
7 ICES.—

8 “(A) IN GENERAL.—In the case of air am-  
9 bulance services furnished on or after the date  
10 that is 2 years after the date of enactment of  
11 the Air Ambulance Medicare Accreditation and  
12 Accountability Act (or, if the Secretary deter-  
13 mines additional time is necessary, such other  
14 date (but not later than 3 years after such date  
15 of enactment) as the Secretary specifies) the  
16 Secretary shall establish a revised air ambu-  
17 lance rate structure under the fee schedule  
18 under this subsection in accordance with the  
19 succeeding provisions of this paragraph.

20 “(B) OBJECTIVES.—Revisions to the fee  
21 schedule under this subsection pursuant to this  
22 paragraph shall be limited to changes intended  
23 to accomplish the following objectives:

24 “(i) Better reflect relative cost dif-  
25 ferences for providing air ambulance serv-

1 ices at higher levels of accreditation under  
2 subsection (p).

3 “(ii) Promote quality care.

4 “(iii) Preserve timely access to air  
5 ambulance services in those geographic  
6 areas that receive air ambulance services  
7 as of such date of enactment and  
8 incentivize the provision of such services in  
9 geographic areas that are unserved or un-  
10 derserved.

11 “(C) CONSIDERATION OF RELATIVE COST  
12 OF SERVICES.—

13 “(i) IN GENERAL.—Subject to clause  
14 (ii) and subparagraph (D), revisions to the  
15 fee schedule under this subsection pursu-  
16 ant to this paragraph shall provide for  
17 higher levels of reimbursement for the  
18 transport of an individual as follows:

19 “(I) Air ambulance services pro-  
20 vided by an air ambulance that is ac-  
21 credited under subsection (p) as a  
22 level II air ambulance shall be reim-  
23 bursed at a higher rate than such  
24 services provided by an air ambulance

1 that is accredited under such sub-  
2 section as a level III air ambulance.

3 “(II) Air ambulance services pro-  
4 vided by an air ambulance that is ac-  
5 credited under subsection (p) as a  
6 level I air ambulance shall be reim-  
7 bursed at a higher rate than such  
8 services provided by an air ambulance  
9 that is accredited under such sub-  
10 section as a level II air ambulance.

11 “(ii) REQUIREMENTS.—The Secretary  
12 shall ensure that the revisions under clause  
13 (i)—

14 “(I) reflect an assessment of the  
15 relative differential in the cost of care  
16 provided by air ambulances with dif-  
17 fering levels of accreditation under  
18 subsection (p); and

19 “(II) do not alter any adjust-  
20 ments related to providing services in  
21 rural areas or accounting for geo-  
22 graphic differences in cost as provided  
23 under the fee schedule under this sub-  
24 section as of the date of enactment of  
25 the Air Ambulance Medicare Accredi-

1                   tation and Accountability Act, includ-  
2                   ing any increase in payments under  
3                   paragraph (12) or (13).

4                   “(D) SOLE COMMUNITY AIR AMBULANCE  
5                   SERVICES.—

6                   “(i) IN GENERAL.—Under such re-  
7                   vised air ambulance rate structure, air am-  
8                   bulance services provided by a sole commu-  
9                   nity air ambulance for which the transport  
10                  originates in a rural area (as defined in  
11                  section 1886(d)(2)(D)) with a Rural-  
12                  Urban Commuting Area code of level 7 or  
13                  higher shall be reimbursed at a higher rate  
14                  than such services provided by an air am-  
15                  bulance that is accredited under subsection  
16                  (p) at the same level as the sole commu-  
17                  nity air ambulance but which is not a sole  
18                  community air ambulance.

19                  “(ii) DEFINITION OF SOLE COMMU-  
20                  NITY AIR AMBULANCE.—In this paragraph,  
21                  the term ‘sole community air ambulance’  
22                  means an air ambulance that serves a  
23                  rural area (as defined in section  
24                  1886(d)(2)(D)) with a low population den-  
25                  sity and is a distance of not less than 100

1 air statute miles from the base of oper-  
2 ation of any other air ambulance.

3 “(E) MITIGATION OF POTENTIAL IMPACTS  
4 ON ACCESS TO SERVICES.—The Secretary shall,  
5 prior to the implementation of the revised air  
6 ambulance rate structure under this paragraph,  
7 modify any potential revisions in payment rates  
8 under such revised air ambulance rate structure  
9 as necessary to ensure that such revisions do  
10 not adversely impact current access to air am-  
11 bulance services, particularly in rural and un-  
12 derserved areas, including by—

13 “(i) providing for a reasonable transi-  
14 tion period to the revised air ambulance  
15 rate structure, including through the use  
16 of payment floors for each year of the  
17 transition period;

18 “(ii) limiting changes in such payment  
19 rates based on the assessment of relative  
20 costs; and

21 “(iii) taking into consideration the ca-  
22 pacities, volume, and special circumstances  
23 of—

24 “(I) suppliers or providers of air  
25 ambulance services located in a rural

1 area (as defined in section  
2 1886(d)(2)(D)); and

3 “(II) air ambulances owned and  
4 operated by units of State or local  
5 government.

6 “(F) CONSULTATION.—The Secretary shall  
7 consult with all relevant stakeholders in estab-  
8 lishing the revised air ambulance rate structure  
9 under this paragraph.

10 “(G) INDEPENDENT COST STUDY.—In es-  
11 tablishing such revised air ambulance rate  
12 structure, the Secretary shall use a cost anal-  
13 ysis conducted by an independent organization  
14 under a contract with the Secretary.

15 “(H) BUDGET NEUTRALITY.—Revisions in  
16 payment implemented pursuant to this para-  
17 graph shall result in the same estimated  
18 amount of aggregate expenditures under this  
19 title for air ambulance services furnished in the  
20 fiscal year in which such revisions in payment  
21 are implemented and each subsequent year as  
22 would have been made under this title for such  
23 care in such fiscal year and each such subse-  
24 quent year if such revisions had not been imple-  
25 mented. For purposes of applying the preceding

1 sentence, the Secretary shall take into account  
2 any updates or other adjustments applicable to  
3 payments for such services or increases in utili-  
4 zation of such services expected as of the date  
5 of enactment of the Air Ambulance Medicare  
6 Accreditation and Accountability Act.

7 “(I) NONCOVERAGE EVENT.—Not later  
8 than 180 days after the date of enactment of  
9 the Air Ambulance Medicare Accreditation and  
10 Accountability Act, the Secretary shall establish  
11 noncoverage events for which reimbursement  
12 for air ambulance services will not be provided  
13 under this subsection. Such noncoverage events  
14 shall include the following:

15 “(i) Patient death or serious disability  
16 caused by loss of oxygen supply.

17 “(ii) Patient or passenger death or se-  
18 rious disability caused by emergency med-  
19 ical transportation vehicle failure or crash.

20 “(iii) Patient death or serious dis-  
21 ability caused by transport to an unin-  
22 tended destination.

23 “(iv) Responding without a formal re-  
24 quest by emergency medical services or  
25 hospital personnel.

1           “(v) Patient death or serious dis-  
2           ability caused by dropping a patient or al-  
3           lowing a fall.

4           “(vi) Death or serious disability to  
5           emergency medical services personnel or a  
6           patient caused by the failure of the emer-  
7           gency medical transportation vehicle to  
8           communicate an initial estimated time of  
9           arrival or delays.

10           “(J) DEFINITION OF AIR AMBULANCE  
11           SERVICE.—In this paragraph, the term ‘air am-  
12           bulance service’ has the meaning given that  
13           term in subsection (p)(7).”.

14           (b) CONFORMING AMENDMENT.—Section  
15 1862(a)(26) of the Social Security Act, as added by sec-  
16 tion 2(b), is amended by inserting “, or (beginning with  
17 the date that is 180 days after the date of enactment of  
18 the Air Ambulance Medicare Accreditation and Account-  
19 ability Act) in the case where the Secretary determines  
20 that a noncoverage event established under section  
21 1834(l)(15)(I) has occurred in the furnishing of such serv-  
22 ice” before the period at the end.

1 **SEC. 5. AIR AMBULANCE QUALITY DATA REPORTING PRO-**  
2 **GRAM.**

3 Section 1834(l) of the Social Security Act (42 U.S.C.  
4 1395m(l)), as amended by section 4, is amended—

5 (1) in paragraph (3)(B), by striking “subpara-  
6 graph (C)” and inserting “subparagraph (C) and  
7 paragraph (16)”; and

8 (2) by adding at the end the following new  
9 paragraph:

10 “(16) AIR AMBULANCE QUALITY DATA REPORT-  
11 ING PROGRAM.—

12 “(A) REDUCTION IN UPDATE FOR FAILURE  
13 TO REPORT.—

14 “(i) IN GENERAL.—For each year (be-  
15 ginning with January 1 following the date  
16 that is 3 years after the date of enactment  
17 of the Air Ambulance Medicare Accredita-  
18 tion and Accountability Act), in the case of  
19 a supplier or provider of air ambulance  
20 services that does not submit data to the  
21 Secretary in accordance with subparagraph  
22 (C) with respect to such year, after deter-  
23 mining the percentage increase under  
24 paragraph (3)(B), and after application of  
25 paragraph (3)(C), the Secretary shall re-  
26 duce such percentage increase for pay-

1           ments under the fee schedule under this  
2           subsection during such year by 0.4 per-  
3           centage points (or, beginning with January  
4           1 following the date that is 5 years after  
5           such date of enactment, 2.0 percentage  
6           points).

7           “(ii) SPECIAL RULE.—The application  
8           of this subparagraph may result in such  
9           percentage increase being less than 0.0 for  
10          a year, and may result in payment rates  
11          under the fee schedule under this sub-  
12          section for a year being less than such pay-  
13          ment rates for the preceding year.

14          “(B) NONCUMULATIVE APPLICATION.—  
15          Any reduction under subparagraph (A) shall  
16          apply only with respect to the year involved and  
17          the Secretary shall not take into account such  
18          reduction in computing the payment amount  
19          under the fee schedule under this subsection for  
20          a subsequent year.

21          “(C) SUBMISSION OF QUALITY DATA.—For  
22          each year (beginning with January 1 following  
23          the date that is 3 years after the date of enact-  
24          ment of the Air Ambulance Medicare Accredita-  
25          tion and Accountability Act), each supplier or

1 provider of air ambulance services shall submit  
2 to the Secretary data on quality measures speci-  
3 fied under subparagraph (D). Such data shall  
4 be submitted in a form and manner, and at a  
5 time, specified by the Secretary for purposes of  
6 this subparagraph.

7 “(D) QUALITY MEASURES.—

8 “(i) IN GENERAL.—The Secretary  
9 shall specify quality measures for each ac-  
10 creditation level for air ambulances under  
11 subsection (p) that reflect the capability of  
12 the air ambulance to deliver such services  
13 equal to each such accreditation level. Sub-  
14 ject to clause (ii), any measure specified by  
15 the Secretary under this subparagraph  
16 must have been endorsed by the entity  
17 with a contract under section 1890(a).

18 “(ii) EXCEPTION.—In the case of a  
19 specified area or medical topic determined  
20 appropriate by the Secretary for which a  
21 feasible and practical measure has not  
22 been endorsed by the entity with a contract  
23 under section 1890(a), the Secretary may  
24 specify a measure that is not so endorsed  
25 as long as due consideration is given to

1 measures that have been endorsed or  
2 adopted by a consensus organization iden-  
3 tified by the Secretary.

4 “(iii) TIME FRAME.—Not later than 2  
5 years after the date of enactment of the  
6 Air Ambulance Medicare Accreditation and  
7 Accountability Act, the Secretary shall  
8 publish the measures selected under this  
9 subparagraph that will be applicable with  
10 respect to the year beginning on January  
11 1 following the date that is 3 years after  
12 such date of enactment.

13 “(iv) UPDATING MEASURES SPECI-  
14 FIED.—

15 “(I) IN GENERAL.—The Sec-  
16 retary may, by regulation, revise qual-  
17 ity measures specified under this sub-  
18 paragraph on an annual basis.

19 “(II) CONSULTATION.—The Sec-  
20 retary shall consult with relevant  
21 stakeholders in revising quality meas-  
22 ures under subclause (I).

23 “(E) PUBLIC AVAILABILITY OF DATA SUB-  
24 MITTED.—The Secretary shall establish proce-  
25 dures for making data submitted under sub-

1 paragraph (C) available to the public. Such pro-  
 2 cedures shall ensure that a supplier or provider  
 3 of air ambulance services has the opportunity to  
 4 review the data that is to be made public with  
 5 respect to the supplier or provider prior to such  
 6 data being made public. The Secretary shall re-  
 7 port quality measures that relate to air ambu-  
 8 lance services on the Internet website of the  
 9 Centers for Medicare & Medicaid Services.

10 “(F) IMPLEMENTATION.—

11 “(i) IN GENERAL.—The Secretary  
 12 shall promulgate regulations to carry out  
 13 this paragraph.

14 “(ii) CONSULTATION.—The Secretary  
 15 shall consult with relevant stakeholders in  
 16 promulgating regulations under clause  
 17 (i).”.

18 **SEC. 6. STUDY AND REPORT BY THE INSTITUTE OF MEDI-**  
 19 **CINE ON GROUND CRITICAL CARE TRANS-**  
 20 **PORT.**

21 (a) IN GENERAL.—The Secretary of Health and  
 22 Human Services is authorized to enter into an agreement  
 23 with the Institute of Medicine of the National Academies  
 24 to conduct a study on ground critical care transport that  
 25 identifies the following:

1           (1) Any barriers to effective use of ground crit-  
2           ical care transport.

3           (2) Any design issues with respect to emergency  
4           medical transportation vehicles that may affect pa-  
5           tient and crew safety.

6           (3) Any issues with respect to reimbursement  
7           for such services under the Medicare program under  
8           title XVIII of the Social Security Act (42 U.S.C.  
9           1395 et seq.) that may affect the high quality of  
10          care and expeditious transport provided by ground  
11          critical care ambulances.

12          (b) REPORT.—An agreement entered into under sub-  
13          section (a) shall provide for the Institute of Medicine to  
14          submit to the Secretary of Health and Human Services  
15          and to Congress a report containing the results of the  
16          study conducted under such subsection.

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