



# Support an Increase and the Continuation of Medicare Relief for Ground Ambulance Services

***Vital Relief Expires on January 30, 2026***

## ***The Critical Role of Medicare Ambulance Add-on Payments***

- Ambulance services are a vital component of our local and national health care and emergency response systems and serve as lifelines of care for a wide range of individuals, including seniors who rely on Medicare.
- Ambulance services across the nation, especially in rural areas, are facing unprecedented financial challenges along with a shortage of paramedics and EMTs as part of the enormous competition for healthcare personnel.
- For almost 20 years, Medicare has provided temporary 2% urban, 3% rural and 22.6% “super rural” add-on payments for ground ambulance services. These are essential to ensuring access for all patients to vital emergency and non-emergency care, but still do not bring payment rates up to a level that covers the cost of providing services.
- Years of below-cost Medicare reimbursement have hampered efforts by ambulance services to hire new staff, update equipment, and continue to provide life-saving services in their communities. Ambulance services have closed their doors or been forced to lengthen response times because of the stresses on their system.
- The ambulance add-on payments had expired on October 1, 2025, which put a stress on ambulance services organizations especially those serving super rural areas. The payments were reinstated retroactively through January 30, 2026, as part of the Continuing Appropriations and Extensions Act (H.R. 5371).
- It is time for the Medicare ambulance add-on payments to be made permanent with a minimum of an additional three years necessary to analyze ongoing data collection and reform the ambulance fee schedule.

## ***The Medicare Productivity Adjustment Has Compounded Reimbursement Insufficiency***

- Since 2011, Medicare has reduced the Ambulance Inflation Factor (which is tied to CPI-U) by a productivity adjustment equal to the 10-year moving average of changes in the economy-wide private nonfarm business multi-factor productivity index (MFP). This adjustment assumes that providers can utilize new technology and improve efficiency to offset the impact of inflation.
- However, the labor-intensive nature of EMS makes it difficult to achieve productivity gains, particularly in rural areas. Ambulance services must be on call 24 hours per day, seven days a week and cannot reduce staffing levels or vary their hours in response to demand.
- Far from breaking even, ambulance services lost a staggering \$440 million in Medicare reimbursement from FY2012-23 due to the productivity adjustment, according to a recent HMA study commissioned by the AAA.
- Ground ambulance service organizations are currently providing their revenue and cost data to CMS which will help Congress determine how to reform the Medicare ambulance fee schedule. However, reform is likely several years away, and ground ambulance service organizations cannot wait that long for additional relief.
- In December 2024, CMS, released a preliminary report in which the aggregate data clearly showed the cost per transport of providing ambulance services to Medicare patients is higher than revenue per transport.
- The past lost revenue and CMS preliminary report substantiate the need to increase the add-on payments for the 2% urban rate to 3.4%; the 3% rural rate to 4.3%; and the super rural 22.6% rate to 26.7%.

***Advocate for Ground Ambulance Relief in a FY2026 Funding Bill/Medicare Extender Package***

- Please contact congressional leaders to ask that the Medicare ambulance payments at the levels of 3.4% urban, 4.3% rural and 26.7% super rural be included in a FY2026 appropriations and/or Medicare extender package.

***Cosponsor the Protect Access to Ground Ambulance Medical Services Act***

- Please cosponsor the Protecting Access to Ground Ambulance Medical Services Act (S. 1643) which would extend the add-on payments at the levels of 3.4% urban, 4.3% rural and 26.7% super rural for just over two years. Please contact Christina McCauley with Senator Cortez Masto, Katherine Huiskes with Senator Collins, or Parker Reynolds with Senator Cassidy to be added as an original cosponsor of the bill.
- S.1643 is endorsed by the American Ambulance Association, National Association of Fire Chiefs, National Association of Firefighters, National Association of EMTs and National Rural Health Association.