



Providing Ambulance Billing Service to New England Since 1984

NEWSLETTER

from the desk of Rick Martin

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Announcing Extended Phone Answering Hours

I am pleased to announce that Comstar has extended its phone answering hours from 8am – 4:15 pm M-F to 8am – **9pm** M-F

Comstar’s Team of 2nd shift billing specialist will be available in our Rowley, MA office to take calls from our clients and their patients

Rate Change Reminder

If you have not already done so, please reply to the annual rate change mailing that was sent in December. Medicare increased their National Fee Schedule rates by 4.3% . However, since the (higher) New England Regional Medicare Rates initiated in 2004 are gradually being phased out, your actual Medicare reimbursement rates will drop 1.5% in 2007. (see next column for details)

Comstar suggests you set your rates (at minimum) at Medicare National +30% which is cost on a national average basis. If your community is comfortable doing so, set your rates as a private service would which is approximately Medicare National +50%.

Gradual Phase Out of Medicare New England Regional Rates Means 1.5% Rate Drop in 2007

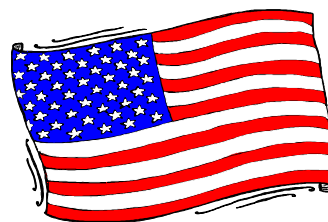
Background: In 2004, Medicare determined that the New England Region had been under paid in the past. To compensate for this, Medicare initiated a “temporary” New England Regional Fee Schedule which was 23.3% above the national rates. New England would be reimbursed at a blended (of National and Regional) rate whose (higher) New England rate portion would drop annually until the Regional Rates were fully phased out in 2010. Below is the complete blending schedule:

	Regional	National
7/1/04 to 12/31/04	80%	20%
CY 2005	60%	40%
CY 2006	40%	60%
CY 2007 – 2009	20%	80%
CY 2010 -->	0%	100%

With the blend going from 40/60 to 20/80, 2007 blended rates are approximately 1.5% lower than 2006. This only effects Medicare payments which represent 40% of an average service’s revenue.



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BMM 9/11/200

