

Mandated report: Assessment of the Medicare Ground Ambulance Data Collection System

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Previous presentations related to mandated report

- March 2025: Provided introduction to the ambulance fee schedule (AFS) and Ground Ambulance Data Collection System (GADCS)
- December 2025: Built on March 2025 presentation, provided preliminary results of analysis of GADCS data, and reviewed results from interviews with stakeholders
- March 2026: Refined December 2025 analysis in response to commissioner comments

Presentation roadmap

- 1 Bipartisan Budget Act of 2018 mandate
- 2 CMS's Ground Ambulance Data Collection System (GADCS)
- 3 Assessment of GADCS data
- 4 Analysis of GADCS data
- 5 Draft recommendation

BBA of 2018 requirement for ambulance data collection

- Ambulance services provided to FFS Medicare beneficiaries are paid under the AFS
- AFS payment adjustments are largely not based on cost data and have not been updated since they were implemented
- BBA of 2018 required CMS to implement a comprehensive ground ambulance data-collection system that includes data on ground ambulance costs and revenues
- CMS created the GADCS, which includes data on ambulance organizations' characteristics, service area, service volume, service mix, staffing, costs, and revenues

Note: BBA (Bipartisan Budget Act), FFS (fee-for-service), AFS (ambulance fee schedule), GADCS (Ground Ambulance Data Collection System).

MedPAC mandate under BBA of 2018

- BBA of 2018 directs MedPAC to assess:
 - the GADCS data,
 - the adequacy of AFS payments, and
 - geographic variations in the cost of furnishing ambulance services
- MedPAC required to produce a report (due June 15, 2026) that includes:
 - an analysis of the GADCS data,
 - an analysis of the burden on organizations associated with the data collection, and
 - a recommendation of whether the data collection should continue and whether it should be revised

Note: BBA (Bipartisan Budget Act), GADCS (Ground Ambulance Data Collection System), AFS (ambulance fee schedule).



Assessment of GADCS data

GADCS is a comprehensive dataset

- Previous datasets had a few hundred records and excluded organizations that shared costs with emergency responders or hospitals
- GADCS has 7,572 records and includes organizations that shared costs with emergency responders or hospitals
 - CMS worked with the organizations that shared costs to ensure the reliability of their cost data
- GADCS includes detailed cost data that are useful for assessing the adequacy and accuracy of ambulance payments

Note: GADCS (Ground Ambulance Data Collection System).

GADCS may have more variables than needed

- GADCS includes over 600 variables—many not needed for evaluating ambulance costs
 - We used only 150 variables to obtain our empirical results
- Data on some GADCS cost categories (vehicles, facilities) are more granular than needed
- Other variables such as hours worked on non-ambulance responsibilities and details about secondary market areas are not needed

Note: GADCS (Ground Ambulance Data Collection System).

Stakeholders support continued data collection

- Stakeholders: Ambulance organizations and trade associations; CMS, RAND
- In general, stakeholders noted that:
 - Continued data collection would be beneficial to ensure payment adequacy and accuracy
 - Small, rural organizations reported difficulty collecting and submitting data and wondered about the usefulness of many questions
 - Burden of data collection could be eased by streamlining GADCS
- Trade associations and organizations reported:
 - Start-up costs have been incurred, so stopping GADCS after one iteration would be unfortunate
 - Quality of data collection should improve with more experience

Note: GADCS (Ground Ambulance Data Collection System).

GADCS could be improved

- Fewer questions; many are not needed
- Less granularity for some variables (vehicle and facility costs)
- Require each organization to collect and submit data less frequently than annually
 - Nationally representative sample each year rather than all organizations
 - Survey less frequently than annually

Note: GADCS (Ground Ambulance Data Collection System).



Analysis of GADCS data

GADCS analysis: Number of transports has strong effect on costs per transport

Quartile of transports	Ambulance transports per organization	Costs per transport
Lowest quartile	166	\$2,852
Q2	795	1,970
Q3	2,600	1,485
Highest quartile	15,721	914

- We also found that:
 - Government organizations have much higher costs per transport than nonprofit and for-profit organizations
 - Urban organizations and rural organizations have similar costs

Note: GADCS (Ground Ambulance Data Collection System), Q (quartile).
Source: MedPAC analysis of data from the Ground Ambulance Data Collection System, 2022-2023.

Isolating the effects that different factors have on ambulance costs

- Many factors contribute to the differences in costs across ground ambulance organizations
- Simple tabulations cannot tell us the magnitude of the impact of each factor on costs
- To isolate the effect of each cost driver, we used a regression analysis to estimate the effects of relevant factors on ground ambulance costs

Several explanatory variables were significant, but two stood out

- Number of transports: Costs rose at a slower rate than transports, indicating economies of scale
 - 10% increase in transports increased costs by only 7%
 - Smaller organizations had higher costs per transport than larger organizations
- Rural organizations had lower costs per transport than urban organizations, controlling for other factors (number of transports)
 - The ambulance fee schedule has adjustments that *increase* payments for rural organizations relative to urban organizations
 - Rural organizations would be more likely to benefit than urban organizations from payment adjustments targeted to low-volume organizations that serve isolated areas, which the Commission recommended (June 2013)

Analyzing revenues and costs: GADCS is a good first step but there are important limitations

- Comparing revenue and cost data is one component in assessing payment adequacy
 - GADCS is the first dataset that allows a comprehensive comparison
- However, there are challenges in drawing conclusions about profitability from the GADCS
- We provide analysis of costs and revenues under two methods to help policymakers understand how payments compare to costs
- At this time, there is limited information about quality of ambulance care and how organizations access capital

Note: GADCS (Ground Ambulance Data Collection System).

Challenges in evaluating ambulance revenues relative to costs

- Many organizations receive a substantial share of their revenues from sources unrelated to providing ambulance services
 - CMS has expressed concern that organizations may have underreported revenue from these sources
- This is the first time most organizations have submitted cost and revenue survey data; errors are likely
- Extremely large differences between revenues and costs for some organizations
 - We trimmed organizations that have the 5% most negative and 5% most positive differences between revenues and costs

Reported revenues relative to costs vary by ownership

Type of ownership	Revenue-to-cost ratio (trimmed, weighted by transports)	Revenue-to-cost ratio (full dataset)
For profit	1.11	1.03
Nonprofit	1.02	0.91
Government	0.98	0.71

Note: The reported revenue-to-cost ratios are the median for each group. "Revenue" is revenue from all sources, and "cost" is cost from providing services to all patients. The results from the trimmed dataset are weighted by number of transports for each organization.

Source: MedPAC analysis of data from the Ground Ambulance Data Collection System, 2022-2023.

- Revenue-to-cost ratios using full dataset and dataset trimmed for outliers (median values)
- Results from trimmed dataset were weighted by number of transports for each organization
- Government organizations have lower ratio than for-profit and nonprofit organizations

Among all service-area categories, reported revenues are higher than costs from weighted data

Characteristic	Revenue-to-cost ratio (trimmed, weighted by transports)	Revenue-to cost ratio (full dataset)
Service-area location		
Urban	1.11	1.01
Rural	1.02	0.91
Super rural	1.03	0.94
Quartile of transports		
Lowest quartile	0.77	0.79
Q2	0.86	0.86
Q3	0.98	0.99
Highest quartile	1.10	1.05

Note: Q (quartile). These results exclude government-owned organizations. The reported revenue-to-cost ratios are the median for each group. "Revenue" is revenue from all sources, and "cost" is cost from providing ground ambulance services to all patients. Results from the trimmed data were weighted by number of transports for each organization.

Source: MedPAC analysis of data from the Ground Ambulance Data Collection System, 2022-2023.

Summary

- GADCS is a comprehensive dataset
- Stakeholders support continued collection of GADCS data
- GADCS could be streamlined to ease reporting burden
- Difficult to evaluate adequacy of payments
 - Substantial revenue from sources not related to billing for services
 - May be underreporting of revenue from some sources
 - First year of data collection; may include errors
 - Little information about access to care and quality
- Analysis suggests AFS adjustments not well targeted

Note: GADCS (Ground Ambulance Data Collection System), AFS (ambulance fee schedule).



Draft recommendation

Draft recommendation

- The Congress should direct the Secretary to continue collecting cost and revenue data from suppliers and providers of ground ambulance services.
 - Data collection should focus on information essential to assessing both the accuracy of Medicare payments and Medicare beneficiaries' access to care; and
 - The Secretary should pursue opportunities to streamline data collection to minimize burden on suppliers and providers.

Implications

Spending

- Relative to current law, there would be no effect on spending

Beneficiary and provider

- Should not adversely affect beneficiaries' access to ambulance services or organizations' willingness or ability to provide these services



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