Program Memorandum Intermediaries/Carriers

Department of Health & Human Services (DHHS) Centers for Medicare & Medicaid Services (CMS)

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CHANGE REQUEST 2295

SUBJECT: Definitions of Ambulance Services

Scope

This Program Memorandum (PM) clarifies and interprets policy regarding definitions of ambulance services as identified in the 2002 ambulance fee schedule final rule, published in the February 27, 2002, **Federal Register**, pages 9100 through 9135. Implementation of this final rule was effective for dates of service beginning April 1, 2002. This PM supersedes earlier PMs (AB-01-165 (Change Request 1555) and AB-01-185 (Change Request 1281)) that contained information regarding definitions of ambulance services.

Background

The ambulance final rule cited above establishes a fee schedule for the payment of ambulance services covered under the Medicare program. After a transition period, the fee schedule described in this final rule will replace the former retrospective reasonable cost payment system for providers and the former reasonable charge system for suppliers of ambulance services. This final rule defined various levels of ambulance services.

Policy

The following definitions apply to both land and water (hereafter collectively referred to as "ground") ambulance services unless otherwise specified as applying to air ambulance services:

Adjusted Base Rate

Definition: Adjusted base rate is the payment made to a provider/supplier for ambulance services exclusive of mileage.

Application: With respect to ground service levels, the **adjusted base rate** is the payment amount that results from multiplying the **conversion factor** (CF) by the applicable relative value unit (RVU) and applying the **geographic adjustment factor** (GAF). With respect to fixed wing and rotary wing services, the **adjusted base rate** is equal to the national base rate (which, in the case of air ambulance services, is announced as part of the fee schedule (FS) and is not calculated by means of a CF and RVU) adjusted by the provider's/supplier's GAF.

Advanced Life Support Assessment

Definition: Advanced life support (ALS) assessment is an assessment performed by an ALS crew as part of an **emergency response** that was necessary because the patient's reported condition at the time of dispatch was such that only an ALS crew was qualified to perform the assessment. An ALS assessment does not necessarily result in a determination that the patient requires an ALS level of service.

Application: The determination to respond emergently with an ALS ambulance must be in accord with the local 911 or equivalent service dispatch protocol. If the call came in directly to the ambulance provider/supplier, then the provider's/supplier's dispatch protocol must meet, at a minimum, the standards of the dispatch protocol of the local 911 or equivalent service. In areas that

do not have a local 911 or equivalent service, then the protocol must meet, at a minimum, the standards of a dispatch protocol in another similar jurisdiction within the State or, if there is no similar jurisdiction within the State, then the standards of any other dispatch protocol within the State. Where the dispatch was inconsistent with this standard of protocol, including where no protocol was used, the beneficiary's condition (for example, symptoms) at the scene determines the appropriate level of payment.

Advanced Life Support Intervention

Definition: Advanced life support (ALS) intervention is a procedure that is, in accordance with State and local laws, beyond the scope of practice of an emergency medical technician-basic (EMT-Basic).

Application: An ALS intervention must be medically necessary to qualify as an intervention for payment of an ALS level of service. An ALS intervention applies only to ground transports.

Advanced Life Support, Level 1

Definition: Advanced life support, level 1 (ALS1) is the transportation by ground ambulance vehicle and the provision of medically necessary supplies and services including the provision of an **ALS assessment** or at least one **ALS intervention**.

Advanced Life Support, Level 2

Definition: Advanced life support, level 2 (ALS2) is the transportation by ground ambulance vehicle and the provision of medically necessary supplies and services including (1) at least three separate administrations of one or more medications by intravenous push/bolus or by continuous infusion (excluding crystalloid fluids) or (2) ground ambulance transport and the provision of at least one of the ALS2 procedures listed below.

Application: Crystalloid fluids include fluids such as 5 percent Dextrose in water, Saline and Lactated Ringer's. Medications that are administered by other means, for example: intramuscular/subcutaneous injection, oral, sublingually or nebulized, do not qualify to determine whether the ALS2 level rate is payable. However, this is not an all-inclusive list. Likewise, a single dose of medication administered fractionally (i.e., one-third of a single dose quantity) on three separate occasions does not qualify for the ALS2 payment rate. The criterion of multiple administrations of the same drug requires a suitable quantity and amount of time between administrations that is in accordance with standard medical practice guidelines. The fractional administration of a single dose (for this purpose meaning a standard or protocol dose) on three separate occasions does not qualify for ALS2 payment. In other words, the administration of $1/3^{rd}$ of a qualifying dose 3 times does not equate to three qualifying doses for purposes of indicating ALS2 care. One-third of X given 3 times might = X (where X is a standard/protocol drug amount), but the same sequence does not equal 3 times X. Thus, if 3 administrations of the same drug are required to show that ALS2 care was given, each of those administrations must be in accord with local protocols. The run will not qualify on the basis of drug administration if that administration was not according to protocol. An example of a single dose of medication administered fractionally on three separate occasions that would not qualify for the ALS2 payment rate would be the use of Intravenous (IV) Epinephrine in the treatment of pulseless Ventricular Tachycardia/Ventricular Fibrillation (VF/VT) in the adult patient. Administering this medication in increments of 0.25 mg, 0.25 mg, and 0.50 mg would not qualify for the ALS2 level of payment. This medication, according to the American Heart Association (AHA), Advanced Cardiac Life Support (ACLS) protocol, calls for Epinephrine to be administered in 1 mg increments every 3 to 5 minutes. Therefore, in order to receive payment for an ALS2 level of service, three separate administrations of Epinephrine in 1 mg increments must be administered for the treatment of pulseless VF/VT. A second example that would not qualify for the ALS2 payment level is the use of Adenosine in increments of 2 mg, 2 mg, and 2 mg for a total of 6 mg in the treatment of an adult patient with Paroxysmal Supraventricular Tachycardia (PSVT). According to ACLS guidelines, 6 mg of Adenosine should be given by rapid intravenous push (IVP) over 1 to 2 seconds. If the first dose does not result in the elimination of the supraventricular tachycardia within 1 to 2 minutes, 12 mg of Adenosine should be administered IVP. If the supraventricular tachycardia persists, a second 12 mg dose of Adenosine can be administered

for a total of 30 mg of Adenosine. Three separate administrations of the drug Adenosine in the dosage amounts outlined in the later case would qualify for ALS2 payment.

For purposes of this definition, the ALS2 procedures are:

(1) Manual defibrillation/cardioversion.
(2) Endotracheal intubation.
(3) Central venous line.
(4) Cardiac pacing.
(5) Chest decompression.
(6) Surgical airway.
(7) Intraosseous line.

Endotracheal intubation is one of the services that qualifies for the ALS2 level of payment; therefore, it is not necessary to consider medications administered by endotracheal intubation for the purpose of determining whether the ALS2 rate is payable. The monitoring and maintenance of an endotracheal tube that was previously inserted prior to the transport also qualifies as an ALS2 procedure.

Advanced Life Support (ALS) Personnel

Definition: ALS personnel are individuals trained to the level of the emergency medical technician-intermediate (**EMT-Intermediate**) or paramedic.

Basic Life Support

Definition: Basic life support (BLS) is transportation by ground ambulance vehicle and the provision of medically necessary supplies and services, including BLS ambulance services as defined by the State. The ambulance must be staffed by an individual who is qualified in accordance with State and local laws as an emergency medical technician-basic (EMT-Basic). These laws may vary from State to State or within a State. For example, only in some jurisdictions is an EMT-Basic permitted to operate limited equipment onboard the vehicle, assist more qualified personnel in performing assessments and interventions, and establish a peripheral intravenous (IV) line.

Conversion Factor (CF)

Definition: CF is the nationally uniform dollar value that, when multiplied by **relative value units** for a service, results in the **unadjusted base rate** amount for that service.

Application: The CF is, in effect, equal to the unadjusted national ground base rate for a BLS transport. The CF is updated annually for inflation by a factor specified in the statute. The inflated CF is applied to the RVUs of the different levels of ground ambulance service resulting in payment amounts under the ambulance fee schedule.

Emergency Response

Definition: Emergency response is a BLS or ALS1 level of service has been provided in immediate response to a 911 call or the equivalent. An immediate response is one in which the ambulance provider/supplier begins as quickly as possible to take the steps necessary to respond to the call.

Application: The phrase "911 call or equivalent" is intended to establish the standard that the nature of the call at the time of dispatch is the determining factor. Regardless of the medium by which the call is made (e.g., a radio call could be appropriate) the call is of an emergent nature when, based on the information available to the dispatcher at the time of the call, it is reasonable for the dispatcher to issue an emergency dispatch in light of accepted, standard dispatch protocol. An emergency call need not come through 911 even in areas where a 911 call system exists. However, the determination to respond emergently must be in accord with the local 911 or equivalent service dispatch protocol. If the call came in directly to the ambulance provider/supplier, then the provider's/supplier's dispatch protocol and the dispatcher's actions must meet, at a minimum, the standards of the dispatch protocol of the local 911 or equivalent service. In areas that do not have a local 911 or equivalent service, then both the protocol and the dispatcher's actions must meet, at a minimum, the

standards of the dispatch protocol in another similar jurisdiction within the State, or if there is no similar jurisdiction, then the standards of any other dispatch protocol within the State. Where the dispatch was inconsistent with this standard of protocol, including where no protocol was used, the beneficiary's condition (for example, symptoms) at the scene determines the appropriate level of payment.

EMT-Intermediate

Definition: EMT-Intermediate is an individual who is qualified, in accordance with State and local laws, as an EMT-Basic and who is also certified in accordance with State and local laws to perform essential advanced techniques and to administer a limited number of medications.

EMT-Paramedic

Definition: EMT-Paramedic possesses the qualifications of the **EMT-Intermediate** and, in accordance with State and local laws, has enhanced skills that include being able to administer additional interventions and medications.

Fixed Wing (FW) Air Ambulance

Definition: FW air ambulance is the transportation by a fixed wing aircraft that is certified by the Federal Aviation Administration (FAA) as a **fixed wing air ambulance** and the provision of medically necessary services and supplies.

Geographic Adjustment Factor

Definition: Geographic adjustment factor (GAF) is a value that is applied to a portion of the **unadjusted base rate** amount in order to reflect the relative costs of furnishing ambulance services from one area of the country to another. The GAF is equal to the practice expense (PE) portion of the geographic practice cost index (GPCI) from the physician fee schedule.

Application: For ground ambulance services, the PE portion of the GPCI is applied to 70 percent of the **unadjusted base rate**. For air ambulance services, the PE portion of the GPCI is applied to 50 percent of the **unadjusted base rate**.

Goldsmith Modification

Definition: Goldsmith modification is the methodology for the identification of rural census tracts that are located within large metropolitan counties of at least 1,225 square miles, but are so isolated from the metropolitan core of that county by distance or physical features as to be more rural than urban in character.

Loaded Mileage

Definition: Loaded mileage is the number of miles for which the Medicare beneficiary is transported in the ambulance vehicle.

Application: Payment is made for each loaded mile. Air mileage is based on loaded miles flown, as expressed in statute miles. There are three mileage payment rates: 1) for ground and water; 2) for FW; and 3) for rotary wing (RW). For air ambulance, the point of origin includes the beneficiary loading point and runway taxiing until the beneficiary is offloaded from the air ambulance.

Point of Pick-Up

Definition: Point of pick-up is the location of the beneficiary at the time he or she is placed on board the ambulance.

Application: The zip code of the **point of pick-up** must be reported on each claim for ambulance services, so that the correct GAF and **Rural Adjustment Factor** (RAF) may be applied, as appropriate.

Relative Value Units

Definition: Relative value units (RVUs) measure the value of ambulance services relative to the value of a base level ambulance service.

Application: The RVUs for the ambulance fee schedule are as follows:

Service Level	RVUs
BLS	1.00
BLS – Emergency	1.60
ALS1	1.20
ALS1 – Emergency	1.90
ALS2	2.75
SCT	3.25
PI	1.75

RVUs are not applicable to FW and RW services.

Rotary Wing (RW) Air Ambulance

Definition: RW air ambulance is the transportation by a helicopter that is certified by the FAA as a rotary wing ambulance, including the provision of medically necessary supplies and services.

Rural Adjustment Factor (RAF)

Definition: RAF is an adjustment applied to the payment amount for ambulance services when the **point of pick-up** is in a rural area.

Application: For ground ambulance services, a 50 percent increase is applied to the ambulance fee schedule mileage rate for each of the first 17 miles; a 25 percent increase is applied to the ambulance fee schedule mileage rate for mileage between 18 and 50 miles; and the urban ambulance fee schedule mileage rate applies to every mile over 50 miles. For air ambulance services, a 50 percent increase is applied to the total air ambulance fee schedule amount for air services; that is, the adjustment applies to the sum of the **adjusted base rate** and ambulance fee schedule rate for all of the loaded air mileage.

Services in a Rural Area

Definition: Services in a rural area are services that are furnished (1) in an area outside a Metropolitan Statistical Area (MSA); or, (2) in New England, outside a New England County Metropolitan Area (NECMA); or, (3) an area identified as rural using the **Goldsmith modification** even though the area is within an MSA.

Specialty Care Transport

Definition: Specialty care transport (SCT) is hospital-to-hospital transportation of a critically injured or ill beneficiary by a ground ambulance vehicle, including the provision of medically necessary supplies and services, at a level of service beyond the scope of the **EMT-Paramedic**. SCT is necessary when a beneficiary's condition requires ongoing care that must be furnished by one or more health professionals in an appropriate specialty area, for example, emergency or critical care nursing, emergency medicine, respiratory care, cardiovascular care, or a paramedic with additional training.

Application: SCT is necessary when a beneficiary's condition requires ongoing care that must be furnished by one or more health professionals in an appropriate specialty area. The **EMT-Paramedic** level of care is set by each State. Care above that level that is medically necessary and that is furnished at a level of service above the **EMT-Paramedic** level of care is considered SCT. That is to say, if **EMT-Paramedics** – without specialty care certification or qualification – are permitted to furnish a given service in a State, then that service does **not** qualify for SCT. The phrase "**EMT-Paramedic** with additional training" recognizes that a State may permit a person who is not only certified as an **EMT-Paramedic**, but who also has successfully completed additional

education as determined by the State in furnishing higher level medical services required by critically ill or critically injured patients, to furnish a level of service that otherwise would require a health professional in an appropriate specialty care area (for example, a nurse) to provide. "Additional training" means the specific additional training that a State requires a paramedic to complete in order to qualify to furnish specialty care to a critically ill or injured patient during an SCT.

Unadjusted Base Rate

Definition: Unadjusted base rate is the national general payment amount for ambulance services exclusive of mileage without application of the GAF. These are general national numbers that do not relate to an individual provider/supplier until the GAF is applied to them.

Application: The **unadjusted base rate** is the payment amount that results from multiplying the CF by the RVU without applying the GAF.

Implementation

These definitions of ambulance services and the accompanying policy applications are in effect upon implementation of the ambulance fee schedule, which is April 1, 2002. Do not search for prior claims that might have been affected by these definitions, but reprocess those brought to your attention.

Provider Education

Advise providers and suppliers of the information contained in this PM.

The *effective date* for this PM is April 1, 2002.

The *implementation date* for this PM is September 27, 2002.

These instructions should be implemented within your current operating budget.

This PM may be discarded after September 1, 2003.

For further guidance about this PM contact the appropriate CMS Regional Office personnel.