PROGRAM MEMORANDUM INTERMEDIARIES/CARRIERS

Department of Health and Human Services

Health Care Financing Administration

Transmittal No. AB-00-103 **Date NOVEMBER 2, 2000**

This Program Memorandum re-issues Program Memorandum AB-99-83, Change Request 905 dated November 1999. The only change is the discard date; all other material remains the same.

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CHANGE REQUEST 905

SUBJECT: Final Rule Revising and Updating Medicare Policies Concerning Ambulance Services

This program memorandum (PM) is to notify you of revisions to Medicare policies concerning ground ambulance transportation services published in the January 25, 1999 ***Federal Register,*** pages 3637-3650. The final rule provisions require: minimum vehicle and staff requirements to qualify as an ambulance; a national definition of the term "bed confined;" ambulance suppliers to obtain a physician's written order certifying the need for scheduled and unscheduled nonemergency ambulance service; and ambulance suppliers to use a standardized form to document compliance with State licensure and certification requirements. The final rule clarifies the circumstances under which an ambulance service is paid under Medicare Part A as opposed to Medicare Part B and also allows for scheduled round-trip transportation of a beneficiary with end stage renal disease from home to the nearest appropriate dialysis facility, freestanding or hospital-based. The final rule allows for direct Medicare payment for rural paramedic intercept services.

Any vehicle used as an ambulance must be designed and equipped to respond to medical emergencies and, in nonemergency situations, be capable of transporting beneficiaries with acute medical conditions. The vehicle must comply with State or local laws governing the licensing and certification of an emergency medical transportation vehicle. At a minimum, the ambulance must contain a stretcher, linens, emergency medical supplies, oxygen equipment, and other lifesaving emergency medical equipment and be equipped with emergency warning lights, sirens, and telecommunications equipment as required by State or local law. This should include, at a minimum, one two-way voice radio or wireless telephone.

Basic Life Support ambulances must be staffed by at least two people, one of whom must be certified as an emergency medical technician (EMT) by the State or local authority where the services are being furnished and be legally authorized to operate all lifesaving and life-sustaining equipment on board the vehicle. Advanced Life Support (ALS) vehicles must be staffed by two people with one of the two staff members certified as a paramedic or an EMT who is trained and certified, by the State or local authority where the services are being furnished, to perform one or more ALS service.

The final rule revised the medical necessity requirements to include a national definition of the term "bed confined." The criteria outlined in the preamble of the final rule states that the beneficiary is:

> "Unable to get up from bed without assistance; unable to ambulate; and is unable to sit in a chair or wheelchair."

As defined in the preamble, the term "bed confined" is not synonymous with "bed rest" or "non-ambulatory." In addition, "bed confined" is not meant to be the sole criterion to be used in determining medical necessity. It is one factor to be considered when making medical necessity determinations. If you have a local medical review policy (LMRP) that differs from this national definition, you must revise your LMRP. Because this is a national policy, this revision does not require a comment period.

For scheduled and unscheduled nonemergency ambulance transports, the rule requires ambulance service suppliers to obtain a physician's written order certifying the need for an ambulance. In addition to the physician's signature, it is acceptable to obtain signed certification statements when professional services are furnished by physician assistants, nurse practitioners, or clinical nurse specialists (where all applicable State licensure or certification requirements are met).

The physician's certification must be dated no more than 60 days prior to the date that the service is provided. In cases where a beneficiary requires a nonemergency, unscheduled transport, the physician's certification can be obtained 48 hours after the ambulance transportation has been provided.

In addition to obtaining the certification, ambulance suppliers are required to retain the certificate on file and, upon request, present the requested certification. This requirement applies to both repetitive and one-time ambulance transports. However, there is one exception to the physician certification rule. A physician's certification is not required for nonemergency, unscheduled transportation of beneficiaries residing at home or in facilities where they are not under the direct care of a physician. These situations should be rare because most transports occur for beneficiaries receiving dialysis or diagnostic tests.

Currently the Health Care Financing Administration (HCFA) has not made revisions to Forms HCFA-1500 and HCFA-1491 claim forms. Although the claim forms have not been modified, inform ambulance suppliers that they must still comply with the requirement of the physician certification provision.

HCFA does not require a particular form or format for the certification. Because some ambulance suppliers have their own certification form (or are in the process of developing one), we encourage you to review the supplier's certification form, if requested to do so. To facilitate this process, you may want to publish your informational requirements in your newsletter or bulletin. Your assistance will help ensure that the suppliers are capturing information that will assist you in your medical necessity determinations.

The final rule clarifies the circumstances under which an ambulance trip is paid as a patient transport under Medicare Part A as opposed to an ambulance service under Medicare Part B. The movement of a beneficiary from his or her home, an accident scene, or any other point of origin to the nearest hospital, critical access hospital (CAH), or skilled nursing facility (SNF) that is capable of furnishing the required level and type of care for the beneficiary's illness or injury is covered, assuming medical necessity and other coverage criteria are met, only under Part B as an ambulance service. Part A coverage is not available because, at the time the beneficiary is being transported, he or she is not an inpatient of any provider paid under Part A of the program. The transfer of a beneficiary from one provider to another is also not covered as a Part A provider service because, at the time that the beneficiary is in transit, he or she is not an inpatient of either provider. This service may be covered under Part B.

Once a beneficiary is admitted to a hospital, CAH, or SNF, it may be necessary to transport the patient to another hospital or other site for specialized care. This movement of the patient is considered "patient transportation" and is covered as an inpatient hospital or CAH service under Part A and as a SNF service when the SNF is furnishing it as a covered SNF service and Part A payment is made for that service. Because the service is covered and payable as a beneficiary transportation service under Part A, the service cannot be classified and paid for as an ambulance service under Part B.

Pending further notification, you are advised to delay implementation of the provision requiring ambulance suppliers to use a standardized form to document compliance with State or local licensure and certification requirements.

For program instructions related to the paramedic intercept provisions, refer to PM Transmittal B-99-12, dated March 1999. For program instructions related to reimbursement for ambulance services to nonhospital-based dialysis facilities, refer to PM Transmittal AB-99-23, dated April 1999. Manual instructions will follow within 90 days.

Educational efforts for ambulance suppliers, physicians, and health care facilities should begin immediately to ensure understanding of, and compliance with, these new requirements.

Implementation of the provisions contained in the final rule that are addressed in this PM will be made effective for ambulance services furnished 30 days following the publication of your bulletins.

The implementation date for this PM is August 30, 1999.

These instructions should be implemented within your current operating budget.

This PM may be discarded November 1, 2001.

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