

MEDICARE PART A BULLETIN

December 16, 1997

General Medicare Bulletin G-311

TO: All Medicare Providers

FROM: Program Relations

SUBJECT: **NEW REPORTING REQUIREMENTS FOR AMBULANCE SERVICES:
EFFECTIVE FOR SERVICES RENDERED ON AND AFTER JANUARY 1,
1998**

ATTENTION MEDICARE BUSINESS OFFICE: Please distribute to all appropriate health care facility personnel.

The purpose of this bulletin is to publish instructions from the Health Care Financing Administration (HCFA) regarding implementation of Section 4531(a)(1) of the Balanced Budget Act (BBA) of 1997. This section maintains that in determining the reasonable cost of ambulance services furnished by a provider of services, the Secretary shall not recognize the cost per trip in excess of the prior year's reasonable cost per trip updated by an inflation factor equal to the consumer price index for all urban consumers (CPI-U) minus one percent, effective with services furnished during Federal Fiscal Year (FFY) 1998 (between October 1, 1997 and September 30, 1998), FFY 1999, and as much of FFY 2000 as precedes January 1, 2000.

During November 1997, HCFA issued Program Memorandum (PM) A-97-15 to all fiscal intermediaries. The PM provides billing instructions for implementing this provision, which is necessary to determine the reasonable cost per ambulance trip. As a result, a change is required in how providers currently report ambulance services provided under arrangements between a provider and an ambulance company, as well as for ambulance services furnished directly by a provider. ***Providers must bill for ambulance services using the billing method of base rate including supplies, with mileage billed separately.***

Interim payments to providers for ambulance services at the time of claims processing remains unchanged. However, intermediaries will be required to calculate the average cost per ambulance trip and apply a payment cap. HCFA will issue separate instructions to intermediaries to address these requirements.

The revised billing instructions are effective for services rendered on or after January 1, 1998.

HCPCS REPORTING

When billing via the HCFA-1450 (UB-92) billing format, providers must report one of the following HCFA Common Procedure Coding System (HCPCS) codes in form locator (FL) 44, "HCPCS/Rates," for each ambulance trip provided during the billing period:

| | | | | |
|-------|-------|-------|-------|-------|
| A0030 | A0040 | A0050 | A0320 | A0322 |
| A0324 | A0326 | A0328 | A0330 | |

In addition, providers must report one of the following mileage HCPCS codes:

A0380 A0390

No other HCPCS codes are acceptable for reporting of ambulance services and mileage.

- Since billing requirements do not allow for more than one HCPCS code to be reported per revenue code line, providers must report revenue code 54X (ambulance) on two separate and consecutive line items to accommodate both the ambulance service and the mileage HCPCS codes for each ambulance trip provided during the billing period.
- Each loaded (i.e., a patient is onboard) one-way ambulance trip must be reported with a unique pair of revenue code lines on the claim. Unloaded trips and mileage are NOT reported.

MODIFIER REPORTING

Providers must report a one-digit origin and a one-digit destination modifier for each ambulance trip provided, via FL 44 “HCPCS/Rates.” In addition, one of the following two-digit modifiers must be reported with every HCPCS to describe whether the service was provided directly or under arrangement:

- QM : Ambulance service provided under arrangement by a provider of services; or
- QN : Ambulance service furnished directly by a provider of services

[Reference General Medicare Bulletins G-249 (12/10/96) and G-266 (01/24/97) for more information (e.g., specific “origin” and “destination” modifiers).]

LINE ITEM DATES OF SERVICE REPORTING

Providers are required to report ***line item dates of service per revenue code line***. This means that providers must report two separate revenue code lines for every ambulance trip provided during the billing period, along with the date of each trip. This includes situations in which more than one ambulance service is provided to the same beneficiary on the same day. Line item dates of service are reported in FL 45 “Service Date,” in month, day and year format (MMDDYY).

SERVICE UNITS REPORTING

For line items reflecting HCPCS codes A0030, A0040, A0050, A0320, A0322, A0324, A0326, A0328, or A0330, providers are required to report in FL 46 “Service Units” for each ambulance trip provided during the billing period. Therefore, the ***service units for each occurrence of these HCPCS codes are always equal to one***. In addition, for line items reflecting HCPCS codes A0380 or A0390, providers must also report the ***number of loaded miles***.

TOTAL CHARGES REPORTING

For line items reflecting HCPCS codes A0030, A0040, A0050, A0320, A0322, A0324, A0326, A0328, or A0330, providers are required to report in FL 47 “Total Charges” the actual charge for the

ambulance service *including all supplies used for the ambulance trip but excluding the charge for mileage*. For line items reflecting HCPCS codes A0380 or A0390, providers are to report the *actual charge for mileage*.

AMBULANCE BILLING EXAMPLES

The following provides examples of how bills for ambulance services should be completed based on HCFA’s reporting requirements. These examples reflect ambulance services furnished directly by a provider. Ambulance services provided under arrangement between a provider and an ambulance company would be reported in the same manner except providers would report a “QM” modifier instead of a “QN” modifier.

Example 1: Claim containing only one ambulance trip

- For the HCFA-1450 (UB-92) electronic “flat file” report as follows:

| <u>Record Type</u> | <u>Revenue Code</u> | <u>HCPCS</u> | <u>Modifier</u> | | <u>Date of Service</u> | <u>Total Units</u> | <u>Charges</u> |
|--------------------|---------------------|--------------|-----------------|-----------|------------------------|--------------------|----------------|
| | | | <u>#1</u> | <u>#2</u> | | | |
| 61 | 540 | A0320 | RH | QN | 082797 | 1 (trip) | 100.00 |
| 61 | 540 | A0380 | RH | QN | 082797 | 4 (mileage) | 8.00 |

- For the hardcopy/paper HCFA-1450 (UB-92) report as follows:

| <u>FL 42</u> | <u>FL 44</u> | <u>FL 45</u> | <u>FL 46</u> | <u>FL 47</u> |
|--------------|--------------|--------------|--------------|--------------|
| 540 | A0320RHQN | 082797 | 1 (trip) | 100.00 |
| 540 | A0380RHQN | 082797 | 4 (mileage) | 8.00 |

Example 2: Claim containing multiple ambulance trips

- For the HCFA-1450 (UB-92) electronic “flat file” report as follows:

| <u>Record Type</u> | <u>Revenue Code</u> | <u>HCPCS</u> | <u>Modifier</u> | | <u>Date of Service</u> | <u>Total Units</u> | <u>Charges</u> |
|--------------------|---------------------|--------------|-----------------|-----------|------------------------|--------------------|----------------|
| | | | <u>#1</u> | <u>#2</u> | | | |
| 61 | 540 | A0322 | RH | QN | 082897 | 1 (trip) | 100.00 |
| 61 | 540 | A0380 | RH | QN | 082897 | 2 (mileage) | 4.00 |
| 61 | 540 | A0324 | RH | QN | 082997 | 1 (trip) | 400.00 |
| 61 | 540 | A0390 | RH | QN | 082997 | 3 (mileage) | 6.00 |
| 61 | 540 | A0326 | RH | QN | 083097 | 1 (trip) | 500.00 |
| 61 | 540 | A0390 | RH | QN | 083097 | 5 (mileage) | 10.00 |

For the hardcopy/paper HCFA-1450 (UB-92) report as follows:

| <u>FL 42</u> | <u>FL 44</u> | <u>FL 45</u> | <u>FL 46</u> | <u>FL 47</u> |
|--------------|--------------|--------------|--------------|--------------|
| 540 | A0322RHQN | 082897 | 1 (trip) | 100.00 |
| 540 | A0380RHQN | 082897 | 2 (mileage) | 4.00 |
| 540 | A0324RHQN | 082997 | 1 (trip) | 400.00 |
| 540 | A0390RHQN | 082997 | 3 (mileage) | 6.00 |
| 540 | A0326RHQN | 083097 | 1 (trip) | 500.00 |
| 540 | A0390RHQN | 083097 | 5 (mileage) | 10.00 |

Example 3: Claim containing more than one ambulance trip provided on the same day

- For the HCFA-1450 (UB-92) electronic “flat file” report as follows:

| <u>Record Type</u> | <u>Revenue Code</u> | <u>HCPCS</u> | <u>Modifier</u> | | <u>Date of Service</u> | <u>Total Units</u> | <u>Charges</u> |
|--------------------|---------------------|--------------|-----------------|-----------|------------------------|--------------------|----------------|
| | | | <u>#1</u> | <u>#2</u> | | | |
| 61 | 540 | A0322 | RH | QN | 090297 | 1 (trip) | 100.00 |
| 61 | 540 | A0380 | RH | QN | 090297 | 2 (mileage) | 4.00 |
| 61 | 540 | A0322 | HR | QN | 090297 | 1 (trip) | 100.00 |
| 61 | 540 | A0380 | HR | QN | 090297 | 2 (mileage) | 4.00 |

- For the hardcopy/paper HCFA-1450 (UB-92) report as follows:

| <u>FL 42</u> | <u>FL 44</u> | <u>FL 45</u> | <u>FL 46</u> | <u>FL 47</u> |
|--------------|--------------|--------------|--------------|--------------|
| 540 | A0322RHQN | 090297 | 1 (trip) | 100.00 |
| 540 | A0380RHQN | 090297 | 2 (mileage) | 4.00 |
| 540 | A0322HRQN | 090297 | 1 (trip) | 100.00 |
| 540 | A0380HRQN | 090297 | 2 (mileage) | 4.00 |

CLAIM PROCESSING EDITS

HCFA has instructed fiscal intermediaries to install the following edits in their automated claims processing systems to assure proper reporting.

- Edit to assure each pair of revenue codes 54X have one of the following ambulance HCPCS codes A0030, A0040, A0050, A0320, A0322, A0324, A0326, A0328, and A0330 and one of the following mileage HCPCS codes A0380 or A0390; and
- Edit to assure the presence of an origin and destination modifier and a QM or QN modifier for

every line item containing revenue code 54X; and

- Edit to assure that the units field (FL 46) is completed for every line item containing revenue code 54X; and
- Edit to assure that service units for line items containing HCPCS codes A0030, A0040, A0050, A0320, A0322, A0324, A0326, A0328, and A0330 always equal “1”.

PROVIDER STATISTICAL AND REIMBURSEMENT REPORT (PS&R)

The Provider Statistical and Reimbursement (PS&R) system will be modified to capture the number of ambulance trips in a separate report. This will allow intermediaries to calculate the average cost per ambulance trip and apply a payment cap, in accordance with HCFA instructions.

HCFA will issue separate instructions to intermediaries to address these requirements. Currently, however, interim payments to providers for ambulance services at the time of claims processing remains unchanged.

Questions regarding this bulletin may be addressed to the Medicare Part A Customer Service Department by calling 904/355-8899.