

Ambulance Special Medicare B Update! April 5, 1999

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HCFA

Health Care Financing Administration

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FIRST COAST SERVICE OPTIONS, INC.

A HCFA Contracted Carrier and Intermediary

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NOTIFICATION OF CHANGES TO AMBULANCE COVERAGE

The Health Care Financing Administration (HCFA) recently announced in the Federal Register the creation of a negotiated rulemaking committee to establish a Medicare ambulance fee schedule. The fee schedule, mandated by the Balanced Budget Act of 1997 (BBA), will eventually replace the current system of reimbursing suppliers based on their charges or costs. The following information outlines changes indicated in the Federal Register on January 25, 1999 (64 FR 3637). To date, HCFA has not advised contractors to implement any changes. The information is being provided to ambulance suppliers as notification of important information that is being scheduled.

By law, Medicare pays for medically necessary ambulance service only when other methods of transportation would endanger a beneficiary's health. To better achieve this goal, the final ambulance coverage rule tightens requirements for determining medical necessity. It also requires better documentation from ambulance companies and requires physician certification for non-emergency ambulance service.

Other major provisions of the final rule include minimum vehicle and staffing requirements and a standard definition of "bed-confined." As defined in the rule, "bed-confined" applies to a beneficiary unable to get up from bed without assistance, unable to walk, and unable to sit in a chair or wheelchair. Non-emergency ambulance service for bed-confined beneficiaries is generally presumed to be medically necessary.

For beneficiaries with end-stage renal disease, the final rule also allows scheduled round-trip ambulance service (if medically necessary) from home to the nearest appropriate freestanding or hospital-based dialysis facility. Previously, ambulance service

for these beneficiaries was limited to hospital-based dialysis facilities.

Additionally, as mandated by the BBA, Medicare, in certain situations, now covers services provided by paramedics operating separately from ambulance suppliers. For example, paramedic "intercept" services in rural areas, where volunteer ambulance squads providing only basic-life support services are prohibited by state law from charging for services, are typically provided by a paramedic operating separately from an ambulance supplier and providing advanced-life support services to a beneficiary. Under previous Medicare policy, there was no provision to pay for these "intercept" services separately from the ambulance service.

HCFA has prepared a list of questions and answers that providers may find helpful. These can be found on the following pages. This is all the information carriers currently have regarding these changes. For additional information on upcoming Medicare ambulance coverage requirements, see the January 25, 1999 Federal Register. Additional information, as well as the coverage requirements, when they are finalized, will be published in a future edition of the Medicare B Update!

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#### Questions and Answers

##### Medical Necessity/Bed Confined:

1Q: The Code of Federal Regulations part 42 (42 CFR) Section 410.40(d)(1) lists the criteria needed for nonemergencies. Is it correct that these criteria apply to the patient's condition at the time of service?

1A: Yes, the criteria outlined in section 410.40(d)(1) are applicable to condition of the patient at the time ambulance services are provided.

2Q: Is it correct that nonemergencies not meeting the criteria in 410.40(d)(1) may still be covered as long as the medical condition of the patient contraindicates transportation by other means and other requirements (i.e., vehicle, crew, origin/destination, physician order if needed, etc.) are met?

2A: The intent of section 410.40(d)(1) was not to exclude conditions other than bed confined. The fact that the definition has been adopted was not intended to suggest that bed confinement is the sole determinant of medical necessity. It is the responsibility of ambulance suppliers to furnish complete and accurate documentation to demonstrate that the ambulance services being furnished meet the medical necessity criteria.

3Q: Since ambulance suppliers are tied to the nursing homes via PPS, why are there two different definitions of bed confined?

3A: HCFA recognizes that it is a standard practice of both hospitals and nursing homes to take steps to ensure that patients are up and out of bed as often as their condition permits. The purpose was to develop an ambulance specific definition that would identify, as eligible for covered services, only those individuals who are not able to be up and out of bed under any condition and therefore unable to tolerate being transported by other methods of transportation.

Physician Certification:

4Q: What is HCFA's definition of "under direct care of a physician?"

4A: HCFA's applicable definition of "under the direct care of a physician" can be found in 42 CFR section 483.40, Physician Services. Specifically, the physician is responsible for supervising the medical care of the patient including reviewing the patient's program of care, ordering medications and monitoring changes in the patient's medical status, and signing and dating all orders.

5Q: Presumably, a patient in a SNF would be deemed to be "under the direct care of a physician." Is that correct?

5A: Yes, that is correct.

6Q: Does HCFA have expectations in the event that a physician's certification is inconsistent with the condition of the patient when the crew arrives for transport (e.g., condition worsens), will the documentation of the trip sheet be acceptable?

6A: It is the responsibility of ambulance suppliers to furnish complete and accurate documentation of the patient's condition, the complaints as observed and the demonstrated symptoms, at the time of the transport, to demonstrate that the ambulance service being furnished meets the medical necessity criteria.

7Q: Is a fax copy of the physician certification statement acceptable in lieu of an original?

7A: Yes. Whenever possible, however, effort should be made to obtain the original certification statement/form.

8Q: How much will the physician certification statement count for carriers?

8A: The physician certification will be considered along with other supporting documentation, by carriers in the processing of claims.

9Q: Will the carrier be instructed to pay all claims submitted if we have a physician certification statement?

9A: No. Carriers are responsible for considering all submitted documentation when processing claims.

10Q: Will a 60-day physician certification be all-inclusive during that period or will a separate one be needed for each service that is provided?

10A: No, the 60-day physician certification is not all inclusive. At the time that the certification is ordered, it is ordered on the basis that a specific condition exists that warrants the need for ambulance transportation service. Other conditions may occur that also warrant the need for nonemergency scheduled or unscheduled ambulance transportation. If the other condition falls within the guidelines set forth in sections 410.40(d)(2) and (d)(3), the supplier is responsible for obtaining the necessary documentation. Any and all documentation submitted should reflect the patient's condition at the time the ambulance service is furnished thereby supporting the need for the ambulance service.

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11Q: Will the physician certification be required with each claim submission or will HCFA add a modifier that would indicate that the physician certification is on file?

11A: The ambulance supplier is required to obtain (410.40(d)(2) and 410.40(d)(3)) and retain (410.41(c)(1)) physician certifications on file and to make the certifications available upon request by HCFA or the Medicare carrier or intermediary.

It is important to note that at this time, HCFA has not made the necessary modifications to the claims forms that will allow ambulance suppliers to indicate that the physician certifications are on file. Absent the ability to provide such notification, ambulance suppliers are still required to obtain certification, retain the certification on file, and present the requested certification documentation upon request from the carrier. When the modifications are made to the claims forms, a Program Memorandum will be released advising how ambulance suppliers are to notify the Medicare carrier or intermediary that the required documentation is on file.

12Q: Since there is no standard format for the physician certification statement, are we to accept forms with a typed statement of, "By my signature, I certify that nonemergency ambulance transportation was medically necessary and that other means of transportation were contraindicated?" These are signed by the physician. Can a RN sign? They are currently filling out and signing some of these since physicians refuse to.

12A: The purpose of the certification is to obtain specific information about the patient's condition is at the time that ambulance services are ordered that substantiates the need for ambulance transportation services. Sections 410.40(d)(2) and (d)(3) require the attending physician to certify that the patient's condition meets the medical necessity requirements of 410.40(d)(1). In addition, it is also acceptable to obtain

signed certification statements when professional services are furnished by physician assistants (PA), nurse practitioners (NP), or clinical nurse specialists (CNSs) (all applicable State licensure or certification requirements must be met).

13Q: Ambulance suppliers assume that HCFA or the carriers will advise the physicians that they must complete the certifications. Is that correct?

13A: To facilitate awareness of the Medicare rules as they relate to the ambulance service benefit, ambulance suppliers may need to educate the physician (or the physician's staff members) when making arrangements for the ambulance transportation of a beneficiary. Ambulance suppliers may wish to furnish an explanation of applicable medical necessity requirements as well as the requirements for the physician certification and to explain that the certification statement should indicate that the ambulance services being requested by the attending physician, PA, NP, or CNS are medically necessary.

HCFA will also be advising the Medicare carriers to educate physicians regarding the medical necessity requirements governing the Medicare Ambulance Service benefit.

14Q: Assuming the ambulance responds in good faith, thinking that the condition is an emergency (e.g., 911 call) and the carrier subsequently downgrades the call from an emergency to a nonemergency, would you agree that a physician certification is not required?

14A: In the situation described, HCFA agrees that a physician certification would not be required

Scheduled/Unscheduled Nonemergency Ambulance Transportation:

15Q: There is no definition of "scheduled" in terms of a time frame. While there is no industry standard, ambulance suppliers believe that a 24-hour rule would be appropriate due to the physician certification requirement. Therefore, suppliers believe "scheduled" should refer to calls made 24 or more hours prior to the ambulance transport. Is that acceptable?

15A: HCFA agrees that "scheduled" may refer to calls made 24 or more hours in advance of the transport.

16Q: Are scheduled transports from home considered only repetitive?

16A: No.

17Q: Is the reference to the 48-hour time frame to obtain the physician certification a rule or a guide for unscheduled transports? Will it matter that the service is not billed until the certification is received?

17A: The "within 48 hours" time frame specified in section 410.40(d)(3)(i) is the rule.

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Ambulance suppliers are required to obtain and retain the certifications on file and to make the certifications available upon request by the Medicare carrier or intermediary.

18Q: Ambulance suppliers understand 410.40(d)(2) refers to repetitive patients such as dialysis and radiation therapy patients. The confusion is over scheduled and unscheduled nonemergencies. Would it be correct to advise our members that the requirement for the physician certification does not apply to patients residing in their homes or in an extended care or other facility not under the direct care of a physician, except for repetitive patients?

18A: Section 410.40(d)(2) provides that the physician certification will be required for patients for scheduled, repetitive transports and scheduled, nonrepetitive transports. In addition, for patients who reside in a facility and are under a physician's care, the physician certification is required for unscheduled ambulance transports. For nonemergency, unscheduled, ambulance transports section 410.40(d)(3)(ii) states, "For a beneficiary residing at home or in a facility who is not under the direct care of a physician, a physician certification is not required."

Miscellaneous:

19Q: The National Medical Transportation Association (NMTA) provides nonemergency door through door transportations for the wheelchair and stretcher bound. These transportation services are medically necessary, but do not require medical treatment or services en route nor do these services require medical treatment. Nonemergency door through door transportation services are often used to transport dialysis patients in a cost effective manner under Medicaid. Please explain, how, under this Final Rule, nonemergency medical transportation providers will be able to begin providing the nonemergency services described under Medicare.

19A: The Medicare law, unlike Medicaid, contains no provision for "transportation" but rather provides for ambulance services. Under Medicare law, the only transportation service that can be paid for as a supplementary medical benefit (Part B) of the Medicare program are ambulance services. The Social Security Act authorizes payment for ambulance services only if the "patient's condition is such that other methods of transportation is contraindicated." Medicare law requires that ambulance services be furnished in a vehicle equipped and staffed to respond to a medical emergency or an acute care situation (Medicare regulations do not limit ambulance services to emergencies).

Transportation by ambulance is covered under the Medicare program only if "(a) normal transportation would endanger the health of the patient..." If a patient can use normal transportation without endangering his or her health, there would be no justification for ambulance services and therefore no Medicare coverage for such services. In short, the provisions contained in the Ambulance Final Rule are not applicable to the type of nonemergency medical transportation services described in this question.

Additional Sources of Information:

This Special Update! refers to the Federal Register and the Code of Federal Regulations in a number of places. Persons interested in obtaining these publications can find them on HCFA's website-[www.hcfa.gov/regs](http://www.hcfa.gov/regs). Once the site has been accessed, click on the "Laws and Regs" box, and follow the on-screen instructions.

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AMBULANCE SPECIALTY SEMINAR

- Hot topics in the ambulance community
- New ambulance regulations published by HCFA on 1/25/99
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