

<b>Reimbursement Policy</b>
<b>Ambulance Transportation: Professional and Facility Reimbursement</b>
Committee Approval Date: <b>07/01/2021</b>
<p>These policies serve as a guide to assist you in accurate claims submissions and to outline the basis for reimbursement if the service is covered by the member’s plan. Services must meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis. You must follow proper billing and submission guidelines. You are required to use industry standard, compliant codes on all claim submissions. Services should be billed with CPT codes, HCPCS codes and/or revenue codes. The codes denote the services and/or procedures performed. The billed code(s) are required to be fully supported in the medical record. Unless otherwise noted within the policy, our policies apply to both participating and non-participating providers and facilities. If appropriate coding/billing guidelines or current reimbursement policies are not followed, MHHP may reject/deny claim, recover/recoup payment or adjust the reimbursement to reflect the appropriate services and/or procedures performed. These policies may be superseded by mandates in provider contracts, or state, federal or CMS requirements. System logic or setup may prevent the loading of policies into the claims platforms in the same manner as described; however, MHHP strives to minimize these variations.</p>
<p><b>References:</b> <a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c15.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c15.pdf</a></p>

**Policy Statement**

The ambulance transport benefit covers a medically necessary transport of a beneficiary by ground or air ambulance to the nearest appropriate facility that can treat his or her condition when any other methods of transportation are contraindicated.

**Ambulance Providers**

An ambulance provider may be an independent ambulance supplier or a hospital-based ambulance service.

- **Independent Ambulance Supplier:** An ambulance supplier may be a licensed, independently owned and operated ambulance service company that is enrolled as an independent ambulance supplier. These providers bill their services on a professional claim (837P).
- **Hospital-based Ambulance Provider:** A hospital-based ambulance provider is owned and/or operated by a hospital and provides ambulance services as an adjunct to its institutionally-based operations. Services by these providers are billed on an institutional claim (837I).

## **Ambulance Suppliers**

Memorial Hermann Health Plan considers only an Ambulance Supplier as eligible for reimbursement of ambulance services reported with Healthcare Common Procedure Coding System (HCPCS) codes A0425 – A0436.

Memorial Hermann Health Plan will not reimburse non-Ambulance Suppliers for rendering ambulance services.

In alignment with CMS, Memorial Hermann Health Plan will reimburse a code on the Ambulance Transportation Codes list only when reported with a two-digit ambulance modifier on the Ambulance Modifiers list. Ambulance transportation services reported without a valid two-digit ambulance modifier will be denied.

## **Origin and Destination Modifiers**

For ambulance transportation claims, Memorial Hermann Health Plan has adopted the CMS guidelines requiring an Ambulance Supplier to report an origin and destination modifier for each trip provided.

Each ambulance modifier is comprised of a single digit alpha character identifying the origin of the transport in the first position, and a single digit alpha character identifying the destination of the transport in the second position. Example: RH (residence to hospital). Single digit alpha characters used to designate an origin and destination are listed below:

C = Community Mental Health Center;

D = Diagnostic or therapeutic site other than P or H when these are used as origin codes;

E = Residential, domiciliary, custodial facility (other than 1819 facility);

F = Federally Qualified Health Center;

G = Hospital based ESRD facility;

H = Hospital;

I = Site of transfer (e.g. airport or helicopter pad) between modes of ambulance transport;

J = Freestanding ESRD facility;

N = Skilled nursing facility;

P = Physician's Office;

R = Residence;

S = Scene of accident or acute event;

U = Urgent Care Facility;

W = Treatment in Place (in person or via telehealth);

X = Intermediate stop at physician's office on way to hospital (destination code only)

## **Advanced Life Support, Level 2 (ALS2) Ambulance Transportation**

There are marked differences in resources necessary to furnish the various levels of ground ambulance services. We will follow the CMS definitions of Advanced Life Support Levels. In alignment with CMS, reimbursement is based on the level of service provided, not on the vehicle used.

## **Zip Codes**

The point of pickup (POP) determines the basis for payment and the POP is reported by its 5-digit ZIP Code.

Electronic billers are required to submit, in addition to the loaded ambulance trip's origin information (e.g., the ZIP Code of the point of pickup), the loaded ambulance trip's destination information (e.g., the ZIP code of the point of drop-off).

Only the ZIP Code of the point of pickup will be used to adjudicate and price the ambulance claim, not the point of drop-off. However, the point of drop-off is an additional reporting requirement on version 5010 of the ASC X12 837 professional claim format.

**Non-covered items**

Items and services which include but are not limited to oxygen, drugs, extra attendants, supplies, EKG, and night differential are not paid separately for ambulance services. If billed separately, the items will be denied as included in the base rate.

In alignment with CMS, Memorial Hermann Health Plan will not reimburse codes on the Ambulance Bundled Codes list when provided by the same Ambulance Supplier for the same patient on the same date of service as a code on the Ambulance Transportation Codes list.

<b>Definitions:</b>
Ambulance Supplier- An independently owned and/or operated ambulance transportation service.
Same Ambulance Supplier- Ambulance Suppliers of the same specialty reporting the same Federal Tax Identification number.

Memorial Hermann *Advantage* complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability or sex.