



MEMBERSHIP ALERT

SUMMARY-FINAL RULE-AMBULANCE REGULATIONS

On January 25, 1999, HCFA placed a Final Rule in the Federal Register (64F.R. 3637) revising Medicare policies for ambulance services. Enclosed is a copy of the Final Rule. The Final Rule is a scaled down version of the Proposed Rule that was placed in the Federal Register on June 17, 1997 (62F.R. 32715), which included:

- Vehicle requirements.
- Crew requirements.
- Medical necessity definitions/requirements.
- A definition of bed confined.
- ALS vs. BLS issues.
- ICD-9 coding for ALS/BLS.
- A possible rural exception for ALS.
- A physician certificate of medical necessity requirement for all on-emergencies.
- Increased coverage for dialysis by allowing transports to freestanding dialysis facilities.
- Reporting requirements

Since then, several issues (ALS issues, ICD-9 coding) were removed and deferred to negotiated rulemaking for the ambulance fee schedule. One issue, the paramedic intercept, was added, as a result of the Balanced Budget Act of 1997. An analysis by David Werfel of the provisions in the Final Rule, with a comparison to the Proposed Rule, is as follows (in order of the Regulations):

Part A Benefits

Sections 409.10 and 409.20 of the Regulations are amended to clarify that ambulance services are Part A, rather than Part B, benefits when provided to an inpatient of a hospital, critical access hospital or SNF.

NOTE: This is not a change. It is merely a technical clarification.

Paramedic Intercept

Section 410.40(b)(3) adds paramedic intercept as a new level of service. §410.40(c) requires that the following requirements be met:

- It must be furnished in a rural area.

It must be furnished under contract with a volunteer organization that:

- Is certified to provide ambulance services.
- Furnishes only BLS.
- Is prohibited by State law from billing.

The paramedic intercept is furnished by a supplier:

- Certified to furnish ALS.
- That bills all patients for the ALS intercept, whether Medicare or non-Medicare.

NOTE 1: This provision is the result of the Balanced Budget Act. It was not in the Proposed Regulation.

NOTE 2: This provision may only apply in New York State where volunteers are not allowed by law to bill. Payment in NY for these services will be based on the difference between ALS and BLS allowables.

Emergency / Non-Emergency

An emergency is defined as: services provided in a hospital emergency room after the sudden onset of a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:

- Placing the patient's health in serious jeopardy;
- Serious impairment to bodily functions; or
- Serious dysfunction of any bodily organ or part.

Medical Necessity

A non-emergency will only be considered medically necessity if:

- The beneficiary is unable to get up from bed without assistance.
- The beneficiary is unable to ambulate.
- The beneficiary is unable to sit in a chair or wheelchair.

NOTE 1: This is an extremely narrow definition. It was the definition for "bed confined" in the Proposed Regulation. It would exclude all non-emergencies if the patient were not bed confined.

NOTE 2: The A.A.A. has already sought clarification of this provision since there are non-emergencies requiring an ambulance where the patient is not bed confined, e.g. hospital to hospital for elevated level of care but the patient has IV that needs to be maintained.

Certificate of Medical Necessity - Scheduled Transport:

For scheduled non-emergencies, the ambulance supplier must obtain a written order from the attending physician certifying the medical necessity requirements (listed above) are met.

The physician's order must be dated no earlier than 60 days before the transport, except as noted below.

Certificate of Medical Necessity - Unscheduled Non-Emergency:

For a resident of a facility under the care of a physician, the certification can be obtained up to 48 hours after the transport.

No certification is required for a patient living at home or in a facility but not under the direct care of a physician.

NOTE 1: The definition for non-emergencies would appear to eliminate from coverage any patient who is not bed confined.

NOTE 2: The requirement for the physician certification has been alleviated by:

- (a) allowing it to be obtained up to 48 hours after the transport, and
- (b) not requiring it for patients at home or those not under a physician's direct care.

Dialysis

While the whole section 410.40(e) is new, the real change is in subsection (4), which extends coverage for ESRD patients from the home to a free standing dialysis facility.

NOTE: This is the only added coverage in the regulation.

Vehicle

The requirements for the vehicle are as follows:

- Be able to respond to emergencies and care for the sick and injured and comply with all state and local laws concerning an emergency transportation vehicle.
- Have lights and sirens.
- Have telecommunications equipment as required by state or local law. At the minimum, have one two-way radio or wireless phone.
- Have stretcher, linens, supplies, oxygen and other life-saving equipment.

NOTE: This is the same requirement listed in the Proposed Rule except it is a little more liberal concerning the telecommunications equipment.

Crew

The requirements for the crew are:

- **BLS:** The staff must consist of two individuals, at least one of whom is certified as a EMT by the state or local authority and must be legally authorized to operate all equipment on board the vehicle.
- **ALS:** In addition to meeting the above, one of the crew members must be certified as a paramedic or

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EMT by the state or local authority to perform one or more ALS services (i.e. the "EMT" must be certified to perform ALS services).

NOTE 1: HCFA has backed off of the prior requirement that ALS be staffed by 2-EMTs and ALS by a paramedic plus an EMT.

NOTE 2: The reference to EMT, for ALS, still requires the EMT to be certified to perform ALS services.

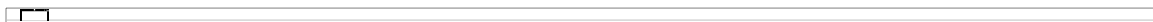
Billing

The following are the billing and reporting requirements:

- Claims must use procedure codes to describe the origin and destination and indicate on Claims that the physician certification is on file.
- When requested by the Carrier, the ambulance supplier must complete and return the Ambulance supplier form regarding compliance for vehicles, crews and certification by state or local authorities.

NOTE: The second requirement is a major concession by HCFA. The Proposed Rule required the names, certifications, etc. for each crew member and to continually submit documents as each vehicle or crew member changed.

A comparison of the Proposed Rule and the Final Rule demonstrates that HCFA listened to the comments that were submitted. HCFA responded by removing or scaling back most of the issues in contention. With two very important exceptions (i.e. the physician certification and the criteria for coverage of non-emergencies), the new regulations will not have a major impact on most ambulance providers. However, these two issues are serious and will require your immediate attention to the details or your non-emergency claims will not be covered.



The *effective date* is **February 24, 1999** for all provisions, although comments concerning the paramedic intercept issue can be submitted until March 26, 1999.