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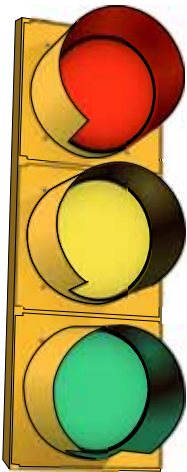
MMA - Medical Review (MR) of Rural Air Ambulance Services

Note: This article was revised on February 2, 2005 to reflect that CR 3571 was re-issued on February 1, 2005. The CR release date and transmittal number have changed. The article and the related CR3571 were revised to show that the issue applies to rural air ambulance services billing Medicare carriers, as well as those billing Medicare fiscal intermediaries. All other information remains the same.

Provider Types Affected

Providers billing Medicare carriers or fiscal intermediaries (FIs) for rural air ambulance services

Provider Action Needed



STOP – Impact to You

Providers of rural air ambulance services should note that Section 415 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) includes new instructions regarding rural air ambulance services.

CAUTION – What You Need to Know

The Centers for Medicare & Medicaid Services (CMS) has revised Chapter 6 “Intermediary MR Guidelines for Specific Services” of the Medicare Program Integrity Manual to include Section 6.4 – Medical Review of Rural Ambulance Services.

GO – What You Need to Do

Be sure to understand these new rules surrounding billing for and medical review of Rural Air Ambulance Services as a result of changes in the MMA.

Background

This article provides information on Medicare’s implementation of Section 415 of the MMA, which amends the Social Security Act (SSA) (Section 1834(l)) to provide appropriate coverage of rural air ambulance services. A summary of these changes includes:

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Reasonable Requests

When performing a medical review of rural air ambulance claims, your Medicare carrier/ fiscal intermediary must determine if a physician or other qualified medical personnel who reasonably determined or certified that the individual's condition required air transport due to time or geographical factors requested the transport. Medicare considers the following personnel qualified to order air ambulance services:

- Physician,
- Registered nurse practitioner (from the transferring hospital),
- Physician's Assistant (from the transferring hospital),
- Paramedic or Emergency Medical Technician (EMT) (at the scene), and
- Trained first responder (at the scene)

Emergency Medical Services (EMS) Protocols

Please note that the reasonable and necessary requirement for rural air transport can be "deemed" to be met when service is provided pursuant to an established state or regional protocol that has been recognized or approved by the Secretary of the Department of Health and Human Services, which administers Medicare through its Centers for Medicare & Medicaid Services.

Air ambulance providers anticipating transports will be made pursuant to such a state or regional protocol must submit the written protocol to their carrier/FI in advance for review and approval. Your Medicare carrier or intermediary will post instructions for submission of the protocol on its web site.

Your Medicare carrier/intermediary must review the protocol to ensure the contents are consistent with the statutory requirements of 1862(1)(A) directing that all services paid for by Medicare must be reasonable and necessary for the diagnosis or treatment of an illness or injury. The carrier/intermediary will notify you of its protocol review determinations within 30 days of receipt of the protocol. **Remember that you must adhere to all requirements in the Act at 1861 (s) (7) and regulatory requirements at 42CFR 424.10 which directs that all services paid by Medicare must be reasonable and necessary including the requirement that payment can be made only to the closest facility capable of providing the care needed by the beneficiary.**

Prohibited Air Ambulance Relationships

Your carrier/intermediary will not apply the "deemed" reasonable and necessary determination in the following cases:

- If there is a financial or employment relationship between the person requesting the air ambulance service and the entity furnishing the service;
- If an entity is under common ownership with the entity furnishing the service; or
- If there is a financial relationship between an immediate family member of the person requesting the service and the entity furnishing the service.

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The only exception to this provision occurs when the referring hospital and the entity furnishing the air ambulance service are under common ownership. Then the above limitation does not apply to remuneration by the hospital for provider based physician services furnished in a hospital reimbursed under Part A and the amount of the remuneration is unrelated directly or indirectly to the provision of rural air ambulance services.

Reasonable and Necessary Services

Medicare carriers and intermediaries may perform medical review of rural air ambulance claims with "deemed" medical necessity status when there are questions as to whether:

- The decision to transport was reasonably made,
- The transport was made pursuant to an approved protocol, or
- The transport was inconsistent with an approved protocol.

In addition, the carrier/intermediary may conduct a medical review in those instances where there is a financial or employment relationship between the person requesting the air ambulance transport and the person providing the transport.

Additional Information

For purposes of these revised sections of the Medicare Program Integrity Manual, the term "rural air ambulance service" means fixed wing and rotary wing air ambulance services in which the point of pick up of the individual occurs in a rural area (as defined in Section 1886(d)(2)(D)) or in a rural census tract of a metropolitan statistical area (as determined under the most recent modification of the Goldsmith Modification published in the *Federal Register* on February 27, 1992 (57 Fed. Reg. 6725).

The official instruction issued to your carrier/intermediary regarding this change, including the revised portion of Chapter 6 of the Medicare Program Integrity Manual may be found at:

http://www.cms.hhs.gov/manuals/transmittals/comm_date_dsc.asp

From that web page, look for CR 3571 in the CR NUM column on the right and click on the file for that CR.

If you have any questions, please contact your carrier/intermediary at their toll-free number, which may be found at:

<http://www.cms.hhs.gov/medlearn/tollnums.asp>

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