



# WPS - Medicare

## Computer Based Training on Ambulance Billing and Payment

# **What Will I Gain?**

- **Correctly code ambulance claims**
- **Accurately bill ambulance claims**
- **Understand how ambulance claims are reimbursed**
- **Recognize where to go for more information**

# **Ambulance Billing**

- **Type Of Bill: 13X, 22X, 23X, 83X, 85X**
- **Value Code: A0 ( A- zero)**
  - **Zip Code of the location where the beneficiary is initially placed on - board the ambulance.**
- **Revenue Code: 540**

# Ambulance Billing

- **HCPCS Codes**
  - Required for all ambulance billing
  - Report one service unit for each HCPCS code
- **Modifiers**
- **Line item dates of service**
- **Service Units**

# HCPCS Codes

- **Code to reflect condition of patient, not vehicle used**
- **A0426-A0434**
- **A0425 (mileage- ground)**
- **A0435 (mileage- FW)**
- **A0436 (mileage- RW)**

# Modifiers

- **Used to provide additional information:**
  - **QM - Ambulance service provided under arrangement by a provider of services**
  - **QN - Ambulance services furnished directly by a provider of services**
  - **QL - Patient pronounced dead after ambulance called**

# **Modifiers**

- **An origin and destination modifier must also be reported for each ambulance trip**
  - **Origin and destination modifiers are created by combining two alpha characters**
    - **Each alpha character, with the exception of X, represents an origin code or a destination code**
  - **The pair of alpha codes creates one modifier**
    - **The first position identifies the origin**
    - **The second position identifies the destination**

# Origin and Destination Modifiers

- **D** - diagnostic or therapeutic site (other than “P” or “H”)
- **E** - residential, custodial facility
- **G** - hospital-based dialysis facility
- **H** - hospital
- **I** - site of transfer (airport or helicopter pad)
- **J** - non-hospital based dialysis facility
- **N** - skilled nursing facility (SNF)
- **P** - physician's office
- **R** - residence
- **S** - scene of accident or acute event
- **U** - unclassified ambulance service
- **X** - intermediate stop at physician's office on way to hospital

# **Air Ambulance Mileage**

- **Must be reported in whole numbers**
- **FI ensures appropriate air transport code is used with appropriate mileage code**
- **May be paid only for transport to a hospital**
  - **No other destination may be paid**

# **Air Ambulance Mileage Continued**

- **Additional air mileage may be allowed for circumstances beyond pilot's control;**
  - **These circumstances include, but are not limited to:**
    - **Military base and other restricted zones**
    - **Air-defense zones**
    - **FAA restrictions and prohibitions**
    - **Hazardous weather**
    - **Variances required by an air traffic controller**

# Payment

- **Ambulance services are reimbursed under the Ambulance Fee Schedule**
- **Base rate payment**
- **Separate payment for mileage**
- **Payment is based on the level of service provided, not on the vehicle used**

# Payment Continued

- **Fee schedule payment covers both the transport of the beneficiary to the nearest appropriate facility and all items and services associated with such transport**
  - **Items and services include but are not limited to:**
    - oxygen
    - drugs
    - extra attendants
    - EKG testing

# Payment Continued

- **Components of the Fee Schedule for ground ambulance**
  - **Conversion Factor (CF)**
  - **Relative Value Unit (RVU)**
  - **Geographic Adjustment Factor (GAF) for each locality area (geographic practice cost index (GCPI))**
  - **Nationally uniform loaded mileage rate**
  - **Additional amount for certain rural point-of-pickup**

# Payment Continued

- **Components of the Fee Schedule for air ambulance**
  - **Nationally uniform base rate**
  - **Geographic Adjustment Factor (GAF) for each locality area (geographic practice cost index (GCPI))**
  - **Nationally uniform loaded mileage rate**
  - **Additional amount for rural point-of-pickup**

# Payment Continued

- **The Zip Code at the Point-Of-Pickup (POP) establishes the basis for payment**
  - **POP is reported using the 5-digit ZIP code under value code A0**
  - **If ambulance transport requires a second leg, the ZIP code of the POP for the second leg determines whether a rural adjustment applies**

# Payment Continued

- **If the POP has no assigned Zip code, provider must:**
  - **Make a good-faith effort to confirm that no ZIP code exists**
  - **Use the ZIP code nearest to the POP**
  - **A new ZIP code is considered “urban” until CMS determines it “rural”**

# **Pronouncement of Death**

- **Payment is based on the time of death related to the time of the call for the service and transport**

# Pronouncement of Death (Ground)

Time of death pronouncement	Medicare payment decision
Before dispatch	None
After dispatch Before patient loading Before or after arrival at point of pickup	BLS rate only No mileage or rural adjustment Use modifier QL
After the patient is loaded Prior to or upon arrival at receiving facility	Medically necessary level of service furnished

# Pronouncement of Death (Air)

Time of death pronouncement	Medicare payment decision
Prior to takeoff with notice to dispatcher and time to abort the flight	None
After takeoff to point of pickup...before patient is loaded	Appropriate base rate No mileage or rural adjustment
After the patient is loaded Prior to or upon arrival at receiving facility	Medically necessary level of service furnished

# Multiple Patients

- **Value Code 32 with number of patients**
- **Medicare and non-Medicare patients**
- **Reimbursement affected**
- **Ground or Air**

# **Advance Beneficiary Notice**

- **Given when provider believes service will not be covered because the transport is not reasonable and necessary**
- **If provider believes that the transport will not be covered for *another reason*, (i.e., statutorily excluded or is not within the scope of the Medicare ambulance benefit) no ABN is required**

# **Advanced Beneficiary Notice**

- **An ABN may not be used when a beneficiary is under great duress**
  - **A beneficiary is considered to be under great duress when his or her medical condition requires emergent transport**

# **Advance Beneficiary Notice**

- **An ABN may be needed when the beneficiary *is not* in a state of great duress**
  - **Transportation by air when the provider believes that Medicare may deny payment because the transport could be done safely and effectively by ground ambulance**
  - **A level of care downgrade (e.g., from ALS-2 to ALS-1, or from ALS to BLS) is made when the transport at the lower level of care is covered**

# References

- **Medicare Claims Processing Manual**
  - Ambulance (100-4, Chapter 15)
- **Medicare Benefit Policy Manual**
  - General Coverage (100-2, Chapter 10)
- **Medicare Program Integrity Manual**
  - Medical Review (100-8, Chapter 6)
- **Local Coverage Determination (LCD)**
  - Ambulances Services (2002-8)

# Summary

- **Discussed correct coding and billing of ambulance claims**
- **Understand how ambulance claims are reimbursed**
- **Identified where to go for more information**

***This presentation is intended to be used for educational purposes only.***

***Medicare regulations and guidelines are to be used as the final authority.***

**Thank you, you have completed  
the CBT.**

**Would you like to take a 10 question  
knowledge check?**

Yes, let's get started.

No, please take me back to  
WPS Medicare's Provider  
Homepage.

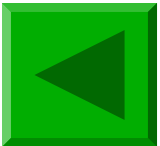
The 5 digit zip code for the point of pickup must be reported under value code A0.

True

False

# **That is not correct.**

- **Please try again.**



**This is True.**

HCPC codes are not always required on ambulance claims .

True

False

**This is False. HCPC codes are required for all ambulance billing.**

There will be 1 service unit reported for the service provided and 1 line for the number of loaded miles.

True

False

**This is True.**

Code distances of less than one mile as one mile and round partial miles to the nearest whole mile.

True

False

**This is True.**

Code the claim to reflect the vehicle used, not the condition of the patient.

True

False

**This is False. It is important to remember when billing for ambulance services, to code the claim to reflect the condition of the patient, not the vehicle used.**

Mileage reported is in nautical miles.

True

False

**This is False. Miles reported are  
statute miles.**

Two lines of Revenue Code 540 are reported on the claim, one for the service provided and one for mileage.

True

False

**This is True.**

An ABN must always be issued,  
regardless of the patient's status.

True

False

**This is False. ABNs are not generally used for ambulance services, and never when the patient is in great duress.**

The Point of Pickup determines the basis for payment under the ambulance fee schedule.

True

False

**This is True.**

Origin and destination modifiers  
can be placed in any order on  
the claim form.

True

False

**This is False. The origin  
modifier is in the first  
position and the destination  
is in the second position.**

# Thank you, you have completed the Knowledge Check.

Would you like to take another CBT?

Yes, let's get started.

No, please take me back to  
WPS Medicare's Provider  
Homepage.