



P R O V I D E R B U L L E T I N

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To: All Rotary Air Ambulance Transportation Providers

Subject: Rotary Air Ambulance Transportation Policy and Billing Guidelines

Overview

The purpose of this bulletin is to announce the establishment of maximum fees for rotary air ambulance services, as authorized under *405 IAC 5-30-5(3)*. The Indiana Health Coverage Programs (IHCP) currently reimburses rotary air ambulance services at a percent of charges billed under the base transport code (A0431). Mileage is not separately reimbursed. With the implementation of maximum fees, the IHCP will adopt rates for the base, or loading, and mileage service codes. The maximum fees are based upon Medicare's urban Indiana rotary air ambulance fee schedule for 2009. This bulletin also sets out the policy and billing guidelines for rotary air ambulance services.

Base Rate and Mileage

Effective for dates of service on or after December 25, 2009, the IHCP provides reimbursement for both a base rate and mileage. The base rate and mileage will be reimbursed at the lower of the usual and customary charge or the IHCP established max fee. The base rate is an all-inclusive rate including coverage of treatments and services that are an integral part of care while in transit; it includes but is not limited to oxygen, drugs, supplies, reusable devices and equipment, and extra attendants.

Table 1 – Rotary Air Ambulance Codes Effective December 25, 2009
Provider Specialty 261: Air Ambulance

HCPCS Code	Description
A0431	<i>Ambulance service, conventional air service, transport, one way (rotary wing), \$3,172.27</i>
A0436	<i>Rotary wing air mileage, per statute mile, \$21.53/loaded statute mile</i>

The air ambulance mileage rate is calculated to the nearest suitable hospital per actual loaded (patient onboard) miles flown and is expressed in statute miles (not nautical miles). Transportation providers are expected to transport members along the shortest, most efficient route to the nearest suitable hospital. All rotary air transportation providers must document mileage on the trip ticket. Providers must bill the IHCP for whole units only. Partial mileage units must be rounded to the nearest whole unit. For example, if the provider transports a member between 15.5 miles and 16.0 miles, the provider must bill 16 miles. If the provider transports the member between 15.0 and 15.4 miles, the provider must bill 15 miles.

Providers are reminded that additional reimbursement is not available for multiple passengers in a rotary air ambulance, nor is separate reimbursement available for an accompanying parent/attendant in a rotary air ambulance.

Prior Authorization

Providers are reminded that prior authorization (PA) is required for air ambulance services. The IHCP acknowledges that PA for rotary air transport will be approved after services have been rendered due to the nature of the services. A PA request must include a brief description of the care and description of the clinical circumstances necessitating the need for the transportation. Providers must indicate that the transportation was an emergency by using the Y indicator in Field 24I on the CMS-1500 or in the Emergency Indicator on the 837P.

Medical Necessity

Rotary air ambulance transport is a covered service when the member has a potentially life-threatening condition that does not permit the use of another form of transportation. The IHCP reimburses rotary air transportation services to a hospital facility under medically appropriate circumstances. Medical necessity is only established when the member's condition is such that the time needed to transport a member by ground, or the instability of transportation by ground, poses a threat to the member's survival or seriously endangers the member's health. The list below includes examples of medical conditions in which rapid transport may be necessary. This list does not guarantee reimbursement nor is it intended to be all inclusive. Diagnosis alone does not serve as justification for reimbursement.

- Intracranial bleeding requiring neurosurgical intervention
- Cardiogenic shock
- Burns requiring treatment in a burn center
- Conditions requiring treatment in a Hyperbaric Oxygen Unit
- Multiple severe injuries
- Life-threatening trauma

Generally, transport by rotary wing air ambulance may be necessary because the member's condition requires rapid transport to a treatment facility, and either great distances or other obstacles preclude such rapid delivery by ground transport to the nearest appropriate facility. Transport by rotary wing air ambulance may also be necessary because the member is inaccessible by a ground or water vehicle.

Air transport must be to the nearest suitable hospital. If the air transport was medically necessary but the member could have been treated at a nearer hospital than one to which they were transported, the air transportation mileage reimbursement is limited to the rate for the distance from the point of pickup to the nearer hospital. Additionally, transportation by air ambulance is covered only for transport to a hospital. Air ambulance services are not covered for transport to a facility that is not an acute care hospital. Transport to a nursing facility, a physician's office, or a beneficiary's home by rotary air ambulance is not reimbursable.

Special Circumstances

In addition to the general instructions above, additional information concerning coverage and billing is included below for three identified special circumstances – hospital-to-hospital transfers, patient expiration, and bad weather.

Hospital-to-Hospital Transfer

Air ambulance transport is covered for transfer of a patient from one hospital to another if the medical appropriateness criteria is met, for example, transportation by ground ambulance would endanger the member’s health, and the transferring hospital does not have adequate facilities to provide the medical services needed by the patient. Examples of such specialized medical services that are generally not available at all types of facilities may include, but are not limited to, burn care, cardiac care, trauma care, and critical care. A patient transported from one hospital to another hospital is covered only if the hospital to which the patient is transferred is the nearest one with appropriate facilities. Reimbursement is not available for transport from a hospital capable of treating the patient because the patient and/or family prefer a specific hospital or physician.

Patient Expiration

When the member expires, the IHCP payment amount depends on the time at which the member is pronounced dead by an individual authorized by the State to make such pronouncements. If the time of death pronouncement is prior to takeoff to point of pickup, with notice to the dispatcher and time to abort the flight, no payment is made. This includes scenarios in which the air ambulance has taxied to the runway and/or has been cleared for takeoff but has not actually taken off. If the member is pronounced dead after takeoff to point of pickup, but before the member is loaded, the appropriate air base rate (A0431) with no mileage is reimbursed. The provider should use the QL modifier when submitting such a claim (A0431 QL). If the provider bills a mileage code in conjunction with a base rate and QL modifier, the mileage code will be denied with the following audit 6194 explanation: *Mileage is not payable with this service.* When the member is pronounced dead after being loaded onboard but prior to or upon arrival at the receiving facility, the provider may bill for both the air ambulance base rate and mileage as if the member had not expired.

Table 2 – Billing Upon Beneficiary Death After Takeoff but Before Loading
 Provider Specialty 261: Air Ambulance

HCPCS Code	Description
A0431 QL	<i>Ambulance service, conventional air service, transport, one way (rotary wing), \$3,172.27</i>

Bad Weather

Providers should note that if the flight is aborted due to bad weather or other circumstance beyond the pilot’s control any time before the beneficiary is loaded onboard, that is, prior to or after takeoff to point of pickup, the IHCP will not reimburse for the flight. If the flight is aborted due to bad weather after the beneficiary is loaded, the appropriate base and mileage codes may be reimbursed.

Contact Information

If you have questions regarding this bulletin, please call Customer Assistance at (317) 655-3240 or toll free at 1-800-577-1278.

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