



Related MLN Matters Article #: MM3933

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### *Enforcement of Hospital Inpatient Bundling: Carrier Denial of Ambulance Claims During an Inpatient Stay*

#### Key Words

MM3933, CR3933, Ambulance, Transportation, Psychiatric, Rehabilitation, Inpatient, LTCH, IPF, IRF, Remittance

#### Provider Types Affected

Independent ambulance services suppliers billing Medicare carriers

#### Key Points

- The effective date of the instruction as follows: Ambulance claims received on or after January 3, 2006, and four years after initial determination for adjustments.
- The implementation date is January 3, 2006.
- Independent ambulance services suppliers cannot bill Medicare carriers for ambulance services that they provide to inpatients of acute care hospitals, long term care facilities (LTCH), inpatient psychiatric facilities (IPF) or inpatient rehabilitation facilities (IRF) on or after 12/31/04, unless the services are provided either:
  - On the dates of hospital admission and/or discharge; or
  - Within an occurrence span code 74 from and through dates plus one day.
- Medicare carriers will reject any bill for ambulance services that are provided to a hospital inpatient on a date that falls between their admission and discharge dates.
- There are exceptions for patients of long-term care hospitals, inpatient psychiatric facilities, or inpatient rehabilitation facilities as discussed in Change Request (CR) 3933.
- When Medicare rejects/adjusts an ambulance claim, the carrier will indicate, by using Remittance Advice Remark Code M2, "Not paid separately when the patient is an inpatient," that:
  - The ambulance transportation occurred during a hospital inpatient stay (on a date that falls within the admission and discharge dates of a covered hospital inpatient stay), and is not separately payable; or

- The service date falls outside the occurrence span code 74 (non-covered level of care) from and through dates plus one day on a LTCH, IPF or IRF, and is not separately payable.
- The Medicare carrier will also indicate the adjustment using Remittance Advice (RA) Adjustment Reason Code 97 "Payment is included in the allowance for another service/procedure."

### Important Links

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3933.pdf>

Affected providers can find more information about the payment of ambulance claims during an inpatient stay by going to <http://cms.hhs.gov/transmittals/downloads/R668CP.pdf> on the CMS website.

Providers might also want to look at the *Medicare Claims Processing Manual*, Chapter 3 (Inpatient Part A Hospital), Section 10.5 (Hospital Inpatient Bundling). Providers can find this manual chapter as an attachment to CR3933.