

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-08 Medicare Program Integrity	Centers for Medicare & Medicaid Services (CMS)
Transmittal 408	Date: February 22, 2012
	Change Request 7363

NOTE: Transmittal 400, dated November 21, 2011 is rescinded and replaced by Transmittal 408, dated February 22, 2012 to add a business requirement that clarifies what contractors shall consider as acceptable proof. The implementation date for this requirement is March 9, 2012. Also, the previous business requirement 7363.6 is now renumbered as 7363.7. All other information remains the same.

SUBJECT: Additional Provider and Supplier Enrollment Requirements for Fixed Wing and Helicopter Air Ambulance Operators.

I. SUMMARY OF CHANGES: This CR provides contractor instruction on the FAA website that must be accessed quarterly by the contractor in order to verify that the air ambulance operator has maintained all FAA requirements.

EFFECTIVE DATE: February 3, 2012

IMPLEMENTATION DATE: February 3, 2012. For Business Requirement 7363.6, the implementation date is March 9, 2012.

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	15/Table of Contents
R	15.4.2.7 Air Ambulance Suppliers

III. FUNDING:

For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions

regarding continued performance requirements.

IV. ATTACHMENTS:

Business Requirements

Manual Instruction

**Unless otherwise specified, the effective date is the date of service.*

Attachment - Business Requirements

Pub. 100-08	Transmittal: 408	Date: February 22, 2012	Change Request: 7363
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SUBJECT: Additional Provider and Supplier Enrollment Requirements for Fixed Wing and Helicopter Air Ambulance Operators

EFFECTIVE DATE: February 3, 2012

IMPLEMENTATION DATE: February 3, 2012. For Business Requirement 7363.6, the implementation date is March 9, 2012.

I. GENERAL INFORMATION

A. Background:

On November 29, 2010 CMS published a final rule that clarified the reporting requirements for air ambulance suppliers. Specifically the rule states that within 30 days of any revocation or suspension of a Federal or State license or certification including Federal Aviation Administration (FAA) certification, an air ambulance supplier must report a revocation or suspension of its license or certification to the applicable Medicare contractor. The following FAA certifications must be reported: Specific pilot certification including but not limited to instrument and medical certifications and airworthiness certifications.

B. Policy: The contractor shall implement an ongoing process that will ensure that the air ambulance suppliers are consistently meeting all Federal and State requirements for Medicare enrollment. That process shall include accessing the FAA Web site at:

http://www.faa.gov/about/office_org/headquarters_offices/agc/operations/agc300/reports/ in order to validate the air ambulance supplier's licenses and certifications.

II. BUSINESS REQUIREMENTS TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B M A C	D M A C	F I	C A R I E R	R H I	Shared-System Maintainers				OTH ER
						F I S S	M C S	V M S	C M W F		
7363.1	The contractor shall deny enrollment to an air ambulance supplier, using existing instructions and authorities, if the supplier does not maintain their FAA certification which includes: pilot certification, instrument and medical certifications and air worthiness certification.	X		X	X						
7363.2	The contractor shall revoke the enrollment of an air ambulance supplier, using existing instructions and authorities, if the supplier does not maintain their FAA	X		X	X						

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				OTH ER
							F I S S	M C S	V M S	C W F	
	certification which includes: pilot certification, instrument and medical certifications and air worthiness certification.										
7363.3	The contractor shall continue to deny enrollment to an air ambulance supplier, using existing instructions and authorities, if the supplier does not meet any of the enrollment requirements under 424.510 and 424.516.	X		X	X						
7363.4	The contractor shall continue to revoke the enrollment of an air ambulance supplier, using existing instructions and authorities, if the supplier does not meet any of the enrollment requirements under 424.510 and 424.516.	X		X	X						
7363.5	The contractor shall access the following FAA Web site on a quarterly basis to validate all licenses/certifications of air ambulance operators: http://www.faa.gov/about/office_org/headquarters_offices/agc/operations/agc300/reports/	X		X	X						
7363.6	Contractors shall accept the following as acceptable proof for meeting the requirements set forth in this CR: <ul style="list-style-type: none"> • If the air ambulance supplier or provider owns the aircraft, the owner's name on the FAA Part 135 certificate must be the same as the supplier's or provider's name on the enrollment application. • If the air ambulance supplier or provider owns the aircraft but contracts with an air services vendor to supply pilots, training and/or vehicle maintenance, the FAA Part 135 certificate must be issued in the name of the air services vendor. A certification from the supplier or provider must also attest that it has an agreement with the air services vendor and must list the date of that agreement. A copy of the FAA Part 135 Certificate must accompany the enrollment application. • If the air ambulance supplier or provider leases the aircraft from another entity, a copy of the lease agreement must accompany the enrollment application. The name of the company leasing the aircraft from that other entity must be the 	X		X	X						

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				OTH ER
		M A C	M A C				F I S S	M C S	V M S	C W F	
	same as the supplier's or provider's name on the enrollment application.										

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				OTH ER
		M A C	M A C				F I S S	M C S	V M S	C W F	
7363.7	<p>A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv.</p> <p>Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.</p> <p>Note: On January 30, 2012 a Special Edition MLN Matters article was published to provide clarification on additional Provider and Supplier Enrollment Requirements for Fixed Wing and Helicopter Air Ambulance Operators.</p>	X		X	X						

IV. SUPPORTING INFORMATION

Section A: For any recommendations and supporting information associated with listed requirements, use the box below: N/A

Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
	None

Section B: For all other recommendations and supporting information, use this space: N/A

V. CONTACTS

Pre-Implementation Contact(s): Eileen Turner, 415-744-3654

Post-Implementation Contact(s): Contact your Contracting Officer's Technical Representative (COTR) or Contractor Manager, as applicable.

VI. FUNDING

Section A: For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:

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For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

Medicare Program Integrity Manual

Chapter 15 - Medicare Enrollment

Table of Contents
(Rev.408 Issued: 02-22-12)

Transmittals for Chapter 15

15.4.2.7 –Air Ambulance Suppliers

15.4.2.7 - Air Ambulance Suppliers

(Rev. 408 Issued: 02-22-12, Effective: 02-03-12, Implementation: 02-03-12 For Business Requirement 7363.6, the implementation date is March 9, 2012)

Per 42 CFR §410.40(d), Medicare covers ambulance services, including fixed wing and rotary wing ambulance services, only if they are furnished to a beneficiary whose medical condition is such that other means of transportation are contraindicated.

A. Types of Ambulance Services

There are several types of ambulance services covered by Medicare. They are defined in 42CFR §414.605 as follows:

1. **Advanced Life Support, level 1 (ALS1)** - Transportation by ground ambulance vehicle, medically necessary supplies and services, and either an ALS assessment by ALS personnel or the provision of at least one ALS intervention.

NOTE: Per 42CFR §414.605, ALS personnel means an individual trained to the level of the emergency medical technician-intermediate (EMT-Intermediate) or paramedic. The EMT-Intermediate is defined as an individual who is qualified, in accordance with State and local laws, as an EMT-Basic and who is also qualified in accordance with State and local laws to perform essential advanced techniques and to administer a limited number of medications.

2. **Advanced Life Support, level 2 (ALS2)** - Either transportation by ground ambulance vehicle, medically necessary supplies and services, and the administration of at least three medications by intravenous push/bolus or by continuous infusion, excluding crystalloid, hypotonic, isotonic, and hypertonic solutions (Dextrose, Normal Saline, Ringer's Lactate); or transportation, medically necessary supplies and services, and the provision of at least one of the seven ALS procedures specified in 42CFR §414.605.

3. **Air Ambulance (Fixed-Wing and Rotary-Wing)** - Air ambulance is furnished when the patient's medical condition is such that transport by ground ambulance, in whole or in part, is not appropriate. Generally, this type of transport may be necessary because: (1) the patient's condition requires rapid transport to a treatment facility and either greater distances or other obstacles (e.g., heavy traffic) preclude such rapid delivery to the nearest appropriate facility; or (2) the patient is inaccessible by ground or water vehicle.

4. **Basic Life Support (BLS)** - Transportation by ground ambulance vehicle and medically necessary supplies and services, plus the provision of BLS ambulance services. The ambulance must be staffed by an individual who is qualified in accordance with State and local laws as an emergency medical technician-basic (EMT-Basic).

5. **Paramedic ALS Intercept Services (PI)** - Per 42CFR §414.605, EMT-Paramedic services furnished by an entity that does not furnish the ground transport, provided that the services meet the requirements in 42CFR §410.40(c). PI typically involves an arrangement between a BLS ambulance supplier and an ALS ambulance supplier, whereby the latter provides the ALS

services and the BLS supplier provides the transportation component. Per 42CFR §410.40(c), PI must meet the following requirements:

- Be furnished in an area that is designated as a rural area;
- Be furnished under contract with one or more volunteer ambulance services that meet the following conditions:
 - Are certified to furnish ambulance services as required under 42CFR §410.41.
 - Furnish services only at the BLS level.
 - Be prohibited by State law from billing for any service.
 - Be furnished by a paramedic ALS intercept supplier that meets the following conditions
 - Is certified to furnish ALS services as required in 42CFR §410.41(b)(2).
 - Bills of all the recipients who receive ALS intercept services from the entity, regardless of whether or not those recipients are Medicare beneficiaries.

6. **Specialty Care Transport (SCT)** - Inter-facility transportation of a critically injured or ill beneficiary by a ground ambulance vehicle, including medically necessary supplies and services, at a level of service beyond the scope of the EMT-Paramedic. SCT is necessary when a beneficiary's condition requires ongoing care that must be furnished by one or more health professionals in an appropriate specialty area (e.g., nursing, emergency medicine, respiratory care, cardiovascular care, or a paramedic with additional training.)

B. Ambulance Qualifications

1. Vehicle Design and Equipment

As specified in 42CFR §410.41(a), a vehicle used as an ambulance must meet the following requirements:

- Be specially designed to respond to medical emergencies or provide acute medical care to transport the sick and injured and comply with all State and local laws governing an emergency transportation vehicle.
 - Be equipped with emergency warning lights and sirens, as required by State or local laws.
 - Be equipped with telecommunications equipment as required by State or local law to include, at a minimum, one two-way voice radio or wireless telephone.
 - Be equipped with a stretcher, linens, emergency medical supplies, oxygen equipment, and other lifesaving emergency medical equipment as required by State or local laws.

2. Vehicle Personnel

Per 42CFR §410.41(b)(1)(i) & (ii), a BLS vehicle must be staffed by at least two people, one of whom must be: (1) certified as an emergency medical technician by the State or local authority where the services are furnished, and (2) legally authorized to operate all lifesaving and life-sustaining equipment on board the vehicle.

An ALS vehicle, in addition to meeting the BLS vehicle staff requirements described in 42CFR §410.41(b)(2), the previous paragraph, must also have one of the two staff members be certified as a paramedic or an emergency medical technician, by the State or local authority where the services are being furnished, to perform one or more ALS services.

C. Ambulance Claims Jurisdiction

Ambulance claims jurisdiction policies are specified in Pub. 100-04, chapter 1, section 10.1.5.3, and Pub. 100-04, chapter 15, section 20.1.2.

D. Completion of the CMS-855B

Pub. 100-02, chapter 10, section 10.1.3 states that, in determining whether the vehicles and personnel of the ambulance supplier meet all of the above requirements, the contractor may accept the supplier's statement (absent information to the contrary) that its vehicles and personnel meet all of the requirements. The contractor shall note that this provision in no way obviates the need for the supplier to complete and submit to the contractor the CMS-855B enrollment form (including Attachment 1 thereto and all supporting documents), and does not excuse the contractor from having to verify the data on the CMS-855B enrollment form in accordance with the provisions of Pub. 100-08, chapter 10. In other words, the "statement" referred to in section 10.1.3, does not supplant or replace the CMS-855B provider enrollment process.

E. Miscellaneous Information

1. **Payment Amounts** - Per 42CFR §414.610(a), Medicare payment for ambulance services is based on the lesser of the actual charge or the applicable fee schedule amount.

2. **Non-Emergency Transport** - As stated in 42CFR §410.40(d), non-emergency transportation by ambulance is appropriate if either: (1) the beneficiary is bed-confined, and it is documented that the beneficiary's condition is such that other methods of transportation are contraindicated; or (2) if his or her medical condition, regardless of bed confinement, is such that transportation by ambulance is medically required.

3. **Point of Pick-Up** - The point of pick-up (POP), which is reported by the 5-digit ZIP Code, determines the basis of payment under the fee schedule. (See Pub. 100-04, chapter 15, section 20.1.5 for more information on the POP.)

4. **Destinations** - As discussed in 42CFR §410.40(e), Medicare covers the following ambulance transportation:

- From any point of origin to the nearest hospital, CAH, or SNF that is capable of furnishing the required level and type of care for the beneficiary's illness or injury. The hospital or CAH must have available the type of physician or physician specialist needed to treat the beneficiary's condition.
- From a hospital, CAH, or SNF to the beneficiary's home.
- From a SNF to the nearest supplier of medically necessary services not available at the SNF where the beneficiary is a resident, including the return trip.
- For a beneficiary who is receiving renal dialysis for treatment of ESRD, from the beneficiary's home to the nearest facility that furnishes renal dialysis, including the return trip.

Per Pub. 100-02, chapter 10, section 10.3.8, ambulance service to a physician's office is covered only if: (1) transport is en route to a Medicare-covered destination, as described in Pub. 100-02, chapter 10, section 10.3; and (2) during the transport, the ambulance stops at a physician's office because of the patient's dire need for professional attention, and immediately thereafter, the ambulance continues to the covered destination.

(See Pub. 100-02, chapter 10, section 10.3.2 for information on "institution-to-institution" ambulance services; as stated therein, there may be instances where the institution to which the patient is initially taken is found to have inadequate or unavailable facilities to provide the required care, and the patient is then transported to a second institution having appropriate facilities. Also see Pub. 100-02, chapter 10, section 10.4.4, for information on hospital-to-hospital air ambulance transport; the air transport of a patient from one hospital to another may be covered if the medical appropriateness criteria are met - that is, transportation by ground ambulance would endanger the beneficiary's health and the transferring hospital does not have adequate facilities to provide the medical services needed by the patient.)

5. **Local** - Per Pub. 100-02, chapter 10, section 10.3, as a general rule, only local transportation by ambulance is covered, and therefore, only mileage to the nearest appropriate facility equipped to treat the patient is covered.

6. **Part A** - For information on the Part A intermediary's processing of claims for ambulance services furnished under arrangements by participating hospitals, SNFs, and HHAs, see Pub. 100-02, chapter 10, section 10.1.4.

7. **Air Ambulance and Acute Care Hospitals** - As stated in Pub. 100-02, chapter 10, section 10.4.5, air ambulance services are not covered for transport to a facility that is not an acute care hospital, such as a nursing facility, physician's office, or a beneficiary's home.

For additional information on ambulance services, refer to:

- Section 1834(l) of the Social Security Act
- 42CFR410.40, 410.41, and 414.605.
- Pub. 100-02, chapter 10
- Pub. 100-04, chapter 15

8. The contractor shall deny enrollment to an air ambulance supplier, using all of the enrollment instructions in this chapter, if the supplier does not maintain their FAA certification.

9. The contractor shall revoke enrollment to an air ambulance supplier, using all of the enrollment instructions in this chapter, if the supplier does not maintain their FAA certification.

10. The contractor shall access the following FAA website on a quarterly basis to validate all licenses/certifications of air ambulance operators:

http://www.faa.gov/about/office_org/headquarters_offices/agc/operations/agc300/reports/

11. The air ambulance supplier shall maintain all applicable Federal and State licenses and certifications to include pilot certification, instrument and medical certifications and air worthiness certification.

12. Contractors shall accept the following as acceptable proof:

- *If the air ambulance supplier or provider owns the aircraft, the owner's name on the FAA Part 135 certificate must be the same as the supplier's or provider's name on the enrollment application.*
- *If the air ambulance supplier or provider owns the aircraft but contracts with an air services vendor to supply pilots, training and/or vehicle maintenance, the FAA Part 135 certificate must be issued in the name of the air services vendor. A certification from the supplier or provider must also attest that it has an agreement with the air services vendor and must list the date of that agreement. A copy of the FAA Part 135 Certificate must accompany the enrollment application.*
- *If the air ambulance supplier or provider leases the aircraft from another entity, a copy of the lease agreement must accompany the enrollment application. The name of the company leasing the aircraft from that other entity must be the same as the supplier's or provider's name on the enrollment application.*

