national government SERVICES

NGS PROVIDER EXPERIENCE
Innovation | Education | Collaboration

Ambulance Services and Establishing Medical Necessity for Part B Providers

5/20/2025

Closed Captioning: *Auto-generated closed captioning is enabled in this course and is at best 70-90% accurate. Words prone to error include specialized terminology, proper names and acronyms.*

NGSMU
NGS Medicare University
Meaningful | Informative | Simplified

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

2166_052025

Disclaimer

National Government Services, Inc. has produced this material as an informational reference for providers furnishing services in our contract jurisdiction. National Government Services employees, agents, and staff make no representation, warranty, or guarantee that this compilation of Medicare information is error-free and will bear no responsibility or liability for the results or consequences of the use of this material. Although every reasonable effort has been made to assure the accuracy of the information within these pages at the time of publication, the Medicare Program is constantly changing, and it is the responsibility of each provider to remain abreast of the Medicare Program requirements. Any regulations, policies and/or guidelines cited in this publication are subject to change without further notice. Current Medicare regulations can be found on the CMS website.

Recording

Attendees/providers are never permitted to record (tape record or any other method) our educational events. This applies to webinars, teleconferences, live events and any other type of National Government Services educational events.

Objective

To help the ambulance community understand the importance of medical necessity as it pertains to Medicare's coverage guidelines.

Today's Presenters

Gail
Toussaint

Provider Outreach and
Education Consultant

Lori
Langevin

Provider Outreach and
Education Consultant

Agenda

- Coverage Requirements
- Documentation
- Claim Examples not Meeting Medical Necessity
- Claim Examples Meeting Medical Necessity
- CMS' Transportation Indicators
- Physician Certification Statement
- Advanced Beneficiary Notice of Noncoverage
- Resources

Coverage Requirements

Medical Necessity – 42CFR 140.40(d)(1)

- “Medical necessity is established when the patient's condition is such that use of any other method of transportation is contraindicated. In any case in which some means of transportation other than an ambulance could be used without endangering the individual’s health, whether or not such other transportation is actually available, no payment may be made for ambulance services.”
- CMS IOM Publication 100-02, *Medicare Benefit Policy Manual*, Chapter 10, “Ambulance Services,” Section 10.2.1

Medically Necessary Versus Reasonableness

- Medical necessity refers to whether the patient medically requires transport by ambulance
- Reasonableness refers to whether the transport was appropriate in the first place
- CMS IOM Publication 100-02, *Medicare Benefit Policy Manual*, Chapter 10, Ambulance Services, Section 10.2.2 – Reasonableness of the Ambulance

Ground Coverage Requirements

- Service is medically reasonable and necessary
- A beneficiary is transported
- Destination is local
- Facility is appropriate
  - Hospital/CAH; SNF; beneficiary's home; dialysis facility for ESRD patients who require dialysis

Air Coverage Requirements

- Vehicle/crew requirements are met
- Beneficiary's medical condition is such that transportation by ground ambulance is not appropriate
- May be paid only for services to a hospital
  - Other destinations such as SNF or physician's office may not be paid

General Requirements for Coverage

- Services must be medically necessary
- Condition of patient would not allow transportation by other means
- A diagnosis or a detailed description of patient's condition must be on claim
  - Ambulance personnel should thoroughly document their observations of patient's condition
- Transportation is to a Medicare-approved destination

General Requirements for Coverage

- Transportation to a hospital from another hospital when a patient's needs cannot be met at first hospital and patient is admitted to second hospital
- Transportation is provided by an approved supplier/provider of ambulance services
- Transportation is not part of a Part A (inpatient) service
- Transportation is to closest appropriate facility

Medical Necessity

- Condition is such that use of any other method of transportation is contraindicated
- Documentation must be kept on file and, upon request, presented to carrier
- Presence (or absence) of a physician's order for transport by ambulance does not prove (or disprove) whether transport was medically necessary
  - Must meet all program coverage criteria for payment to be made

Medical Necessity Examples

- Severe hemorrhaging
- Unconscious/shock
- Must remain immobile due to broken bone(s)
- Stroke/heart attack
- Needs to be restrained
- Can only be moved by a stretcher

Ground Mileage – Medical Necessity

- Claims billed over 60 miles will suspend for medical necessity
- Some appropriate reasons for ground transportations over 60 loaded miles are
  - Indication closest hospital is on divert status and next available hospital is XX miles away

  or
  - Beneficiary is being discharged from a hospital or a SNF to a residence

Bed Confined Defined

- Patient must meet following criteria to be considered bed confined
  - Inability to ambulate on their own
  - Inability to sit in a chair/wheelchair
  - Inability to get up from a bed without assistance
  - Important note: “bed rest” and/or “nonambulatory” do not indicate “bed confined”

Bed Confined

- A narrative description describing reason term “bed confined” is being used should be provided on claim, e.g.
  - Required advanced airway management
  - Required restraints to prevent injury to self/others
  - Patient morbidly obese which requires additional personnel/equipment to handle
  - Required to remain immobile due to fracture/possibility of fracture

Documentation

Document! Document! Document!

- Fully document evidence to support claim
  - Without establishing medical necessity, service may be noncovered
  - Either pre or postpayment
- Ambulance supplier's responsibility to maintain complete/accurate documentation of patient's condition to prove medical necessity

Trip/Run Sheet

- Used as a medical record of encounter with patient
- Complete/legible – every page must include patient information (complete name; DOS)
- Must “paint a picture” of patient’s condition and be consistent with documentation found in other supporting medical record documentation (PCS included)

Trip/Run Sheet

- Must include reason for transport
  - Explanation of symptoms reported by patient/observers
  - Detail patient's physical assessments that clearly demonstrate required ambulance transport
  - Relevant history (if available)
  - Observations/findings
  - Description of traumatic event if basis for suspected injury
  - Explanation of special precautions taken

Trip/Run Sheet

- Assessment/clinical evaluations
  - Vitals
  - Neurological assessment
  - Cardiac information
- Procedures/supplies provided, e.g.
  - Intubation
  - Cardiopulmonary resuscitation
  - Restraints
- Demonstrate medical necessity of required or ordered monitoring/treatment

Trip/Run Sheet

- Point of Pickup
  - Destination (identify place and complete address)
- Signatures, with credentials and date to identify provider of service(s)
  - See CMS IOM Publication 100-02, *Medicare Benefit Policy Manual*, Chapter 10, Section 20.1.2 and CFRs referenced for additional information on signature requirements related to ambulance services
- Beneficiary or authorized signature

Trip/Run Sheet (if known)

- Medications
- Allergies
- Family/social history
- Name of person initiating 911 call
- Relationship of caller to patient

Trip/Run Sheet – Supporting Loaded Miles

- Trip odometer reading
- GPS system
- Navigation system
- MapQuest/Google Maps (or other appropriate mapping program)

Vague Statements

- Statements that do not provide a clear explanation for medical necessity
  - Patient has pain
  - Patient cannot tolerate wheelchair
  - Patient has dementia or is forgetful
  - Unable to support self in wheelchair
  - Family requested ambulance transport

Claim Examples Not Meeting Medical Necessity

Claim Example One

- Patient transported from scene of accident to site of transfer (SI modifier)
  - Diagnosis code(s) used (defined): joint pain, pelvis; headache; fall NOS (not otherwise specified)
  - Extra narrative comments: blood pressure and other vitals provided; left hip pain; small bump top right-side of head

Claim Example Two

- Patient transported from residence to hospital (RH modifier)
  - Diagnosis code(s) used (defined): abdominal pain right lower quad
  - Extra narrative comments: blood pressure and other vitals provided; pain began after coughing, possible hernia

Claim Example Three

- Patient transported from residence to hospital (RH modifier)
  - Diagnosis code(s) used (defined): age-related physical disability; weakness; hyperglycemia, unspecified; dehydration
  - Extra narrative comments: frail, weakness, hyperglycemia, dehydration

Claim Examples Meeting Medical Necessity

Claim Example One

Closest Relative/Guardian

EMD Card Number: SOB+

Complaint Reported by Dispatch: DIFFICULTY BREATHING

Provider Impression

Primary Impression: Resp Distress/Other

Narrative

Narrative: In Summary, Crew was dispatched for the Difficulty breathing victim. Pt is a 70 Yr old female, Alert slower then normal and restless. Pt is in clear pending resp failure, tachypneic labored resps. Pt has poor air movement, high pressure/ resistance with BVM. Pt is vent dependent being BVM. [redacted] first on scene stated Staff took pt off vent and give them BVM, no report given to crews. Pt has a Hx of resp failure and dyspnea. ALS RMC given, 12 lead ekg, IV unsuccessful, ETCO2, blood glucose obtained. Secured Pt to cot, Transport without incident or change in condition. Transferred care over to RN at bedside 2.

Past Medical History

Medical History: Resp - Asthma (Moderate); Resp - Pulmonary Edema (Acute); Resp - Ventilator Related Pnuemonia; Hypertension; Cardiac HX - Unspecified ; CHF - Congestive Heart Failure; CV - Pulmonary Hypertension; CV - Heart Failure; Pneumonia, unspecified organism; Diabetes - Unspecified Type; Renal - Kidney Failure (Acute)

Claim Example Two

NARRATIVE

[redacted] responded immediately from [redacted] to scene for PD request for a patient with chest pain involved in an MVC. [redacted] PD on scene before EMS. [redacted] FD on scene after EMS.

C
Patient complains of dizziness and chest pain.

H
Patient is a 54 YO female with a history of seizures. Patient was driving [redacted] when she hit a parked car in the eastbound lane. A car who did not witness the accident stopped to help and called 911. APD requested for EMS due to the patient having chest pain.

[redacted] arrived on scene and received report from APD who states it was a single vehicle accident and the patient has chest pain and appears to be lethargic. There is a minivan that is partially on the eastbound curb. There is major front end damage to the minivan. The patient's sedan is in front of the minivan, facing the wrong direction in the eastbound lane. There is major damage to the sedan. Airbag deployed in the sedan. Seatbelt was worn. Patient is found sitting on the curb with her dog and the bystander who stopped to help. No obvious bleeding or injuries. Airway patent. Breathing effortless at an adequate rate. Alert and oriented to person, place, and time with a GCS of 15. Patient is slow to answer questions and does not know how the accident happened. Skin warm, pink, and dry. Patient complains of dizziness, and chest pain. Chest pain is located in the left anterior chest. Pain is reproducible and rated a 4/10. Patient denies head, neck, and back pain. Patient stands up and is too dizzy and weak to walks. Cot is brought to her. She sits down, is placed semi-Fowler's and secured using all 5 seat belts. Patient is taken into the ambulance via stretcher. Vitals taken. Patient has a history of grand-mal and focal seizures. She does take medications for them. She says she gets a focal seizure every few weeks. Patient is altered but has no urinary incontinence or tongue biting. Cardiac monitor is placed and shows sinus bradycardia. 20 g IV established in the right AC. Blood glucose analyzed to be 84 mg/dL. Transport initiated.

T
Patient transported [redacted] Patient is monitored and reassessed en route with no major changes. Patient's slow responsiveness to questions does not improve. Patient is brought into ER 11 via stretcher. Patient is transferred from cot to bed by a 2 person blanket lift. Patient's sweatshirt and wallet placed on a chair in the room. Report and transfer of care given to ER RN.

S
Patient understands and signs Patient Authorization Form.

End of Report.

Claim Example Three

Narrative

On the 28th of July, [redacted] received a 911 response request in reference to a pt who was having shortness of breath and chest tightness. [redacted] went en route from the [redacted] emergent response.

Upon arrival at the scene, the pt was located sitting inside the residence on a couch. The pt was assessed and vitals were obtained and charted in this report. The pt stated that she began feeling dizzy and short of breath this morning and began also having chest discomfort while breathing. The pt described the chest discomfort as tightness and it worsened as she took a breath. The pt was currently receiving 4lpm of supplemental O2 via cannula, and this was maintained by EMS. The pt was assisted from the couch to the cot via draw sheet and was secured X5 w/ both rails up. The pt was advised that any transport other than ambulance transport could be lead to the degradation of the pts health and could lead to serious risk up to but not including death.

The pt was removed from the residence and out to the ambulance where she was loaded w/o incident. A 4 and 12 lead EKG was obtained and charted as sinus rhythm. IV access was established in the pt's left shoulder, locked and secured. A duoneb treatment was initiated. 125mg of Solu-Medrol was administered, IVP. The pt was monitored throughout the duration of transport w/o remarkable change or complaint. Prior to EMS arrival at the ED, the pt report was called in and received.

Upon arrival at the ED, the pt was removed from the ambulance and into the ED where she was placed in triage per staff instruction. A brief report was given to the nurse while the pt was being prepped to move. The pt was then moved from the cot to a wheeled chair w/o incident. All signatures were obtained.

End of Report.

CMS' Transportation Indicators

Transportation Indicators

- Help to indicate why it was necessary for the patient to be transported in a particular way or circumstance
  - Place the transportation indicator in the “Extra Narrative” field (1500: block 19; EMC: Loop 2300/2400)
  - CMS Transmittal 3240: Medical Conditions List and Transportation Indicators

Transportation Indicators

- Air and ground
  - C1: Interfacility transport (to higher level of care)
  - C2: Transport from one facility to another because service/therapy not available at originating facility
  - C3: Included as a secondary code where a response was made to a major incident or mechanism of injury
  - C4: Medically necessary transport, but number of miles appears to be excessive
- Patient's condition should be reported on the claim

Transportation Indicators

- Ground only
  - C5: For situations where a patient with an ALS-level condition is encountered, treated and transported by a BLS-level with no ALS level involvement
  - C6: For situations when an ALS-level ambulance would always be the appropriate resource chosen based upon medical dispatch protocols to respond to a request for service
  - C7: IV medications were required

Transportation Indicators

- Air only
  - D1: Long distance – condition requires rapid transportation over a long distance
  - D2: Traffic patterns preclude ground transport at the time the response is required
  - D3: Unstable patient with need to minimize out-of-hospital time or maximize clinical benefits to the patient
  - D4: Pick-up point not accessible by ground transportation

Physician Certification Statement

Physician Certification Statement

- PCS
  - Written order certifies need for ambulance transportation
  - “Scheduled” transport arranged more than 24 hours prior to patient transport
  - “Nonscheduled” transports scheduled less than 24 hours in advance

PCS Guidelines

- Certification type: Nonemergency, scheduled, repetitive ambulance service
  - Required: Yes
  - Who may sign certification: Attending physician
  - Timeframe: Physician's order must be dated no earlier than 60 days before the date the service is furnished

PCS Guidelines

- Certification type: Nonemergency ambulance service that is either unscheduled or is scheduled on a nonrepetitive basis – resident of a facility under a physician's care
  - Certification required: Yes
  - Who may sign: MD, PA, NP, CNS, RN, LPN/LVN, social worker, case manager or discharge planner
  - Timeframe: The physician order must be obtained within 48 hours after the transport

PCS Guidelines

- PCS not required
  - Emergency
  - Nonemergency, unscheduled ambulance services for a beneficiary who, at time of transport, was residing at home or in a facility and who was not under direct care of a physician

Advance Beneficiary Notice of Noncoverage

ABN Requirements

- ABNs are rarely used for ambulance services and may only be issued for nonemergency transports
- CMS IOM Publication 100-04, *Medicare Claims Processing Manual*, Chapter 30, "Financial Liability Protections," Section 50.15.2

ABN Requirements

- ABN is required if all three criteria met
  - Service is a covered ambulance benefit
  - Part or all of service will be denied because it is not reasonable and necessary
  - Patient is stable and the transport is nonemergent

ABN FAQ One

- Can a single ABN cover an extended course of transportation?
  - May issue single ABN to cover extended course of transportation
  - ABN identifies all items, services and period of treatment for which you believe Medicare will not pay
  - Beneficiary receives an item or service during course of transportation that you did not list on ABN and Medicare may not cover it, you must issue a separate ABN
  - A single ABN for an extended course of transportation is valid for one year
    - If course of transportation continues after a year's duration, you must issue a separate ABN

ABN FAQ Two

- May I collect payment from beneficiary?
  - Yes, when beneficiary agrees to pay for expenses out-of-pocket or through any insurance other than Medicare, you may bill and collect funds for noncovered services immediately after they sign ABN
  - If Medicare denies payment, you retain funds collected
  - If Medicare pays all or part of services or if Medicare finds you liable, you must refund proper amount within 30 days after you receive remittance or within 15 days after a determination on an appeal

GA Modifier

- Used to indicate a required ABN was provided to the patient

GX Modifier

- Used to report when a voluntary ABN was issued for a service
  - Service has to be excluded from Medicare coverage by statute
  - Must be submitted with noncovered charges only

GZ Modifier

- Used when a medical necessity denial is expected but an ABN was not provided to the beneficiary

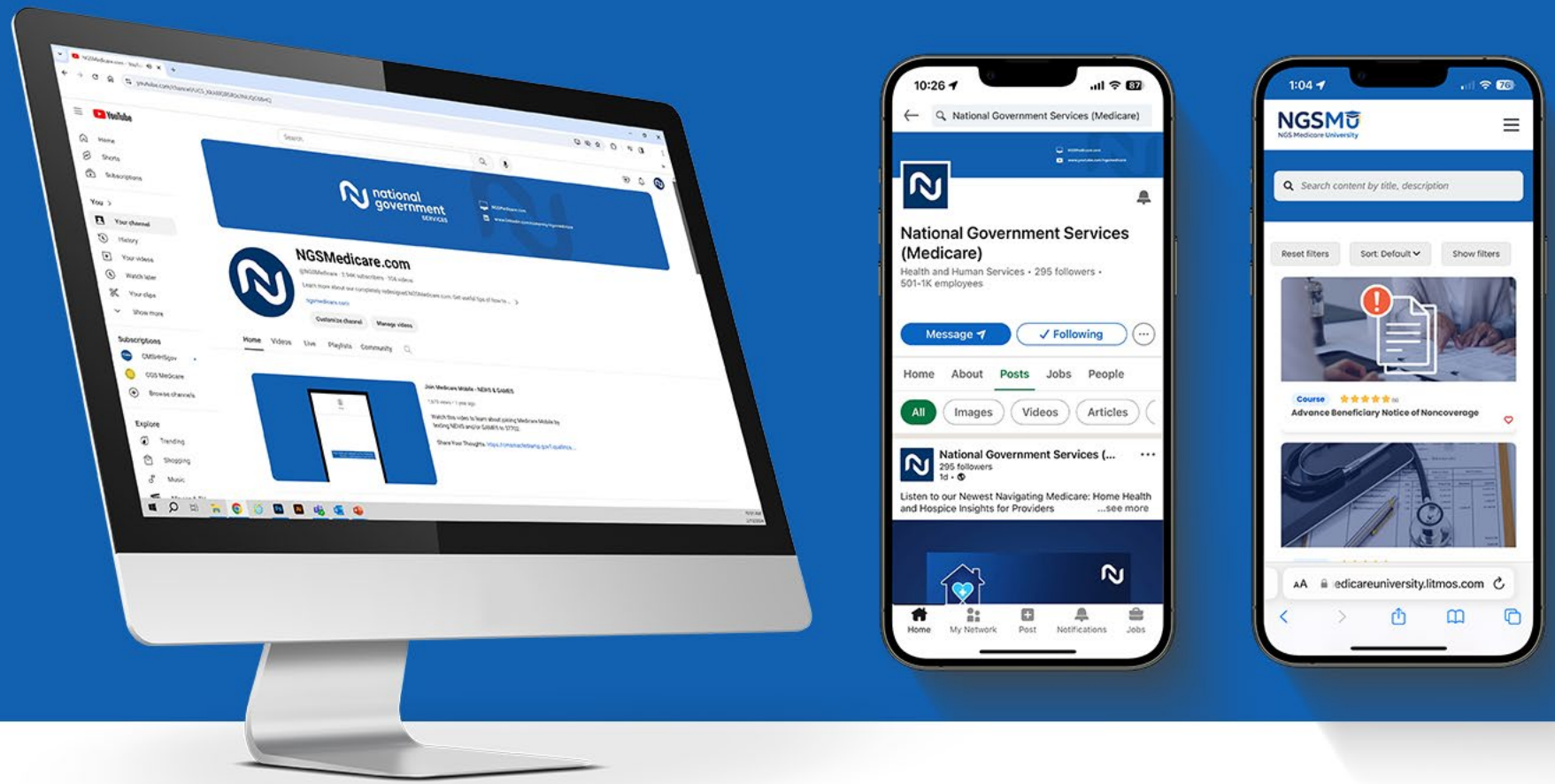
Resources

Resources

- CMS IOM Publication 100-04, *Medicare Claims Processing Manual*, Chapter 15, "Ambulance"
- CMS Ambulance Services Center
- Ambulance Fee Schedule
- Guidance on Beneficiary Signature Requirements for Ambulance Transportation
- CMS IOM Publication 100-02, *Medicare Benefit Policy Manual*, Chapter 10, "Ambulance Services"
- Beneficiary Notices Initiative (BNI) ABN Manual Instructions and ABN Form CMS-R-131

Questions?

Thank you!



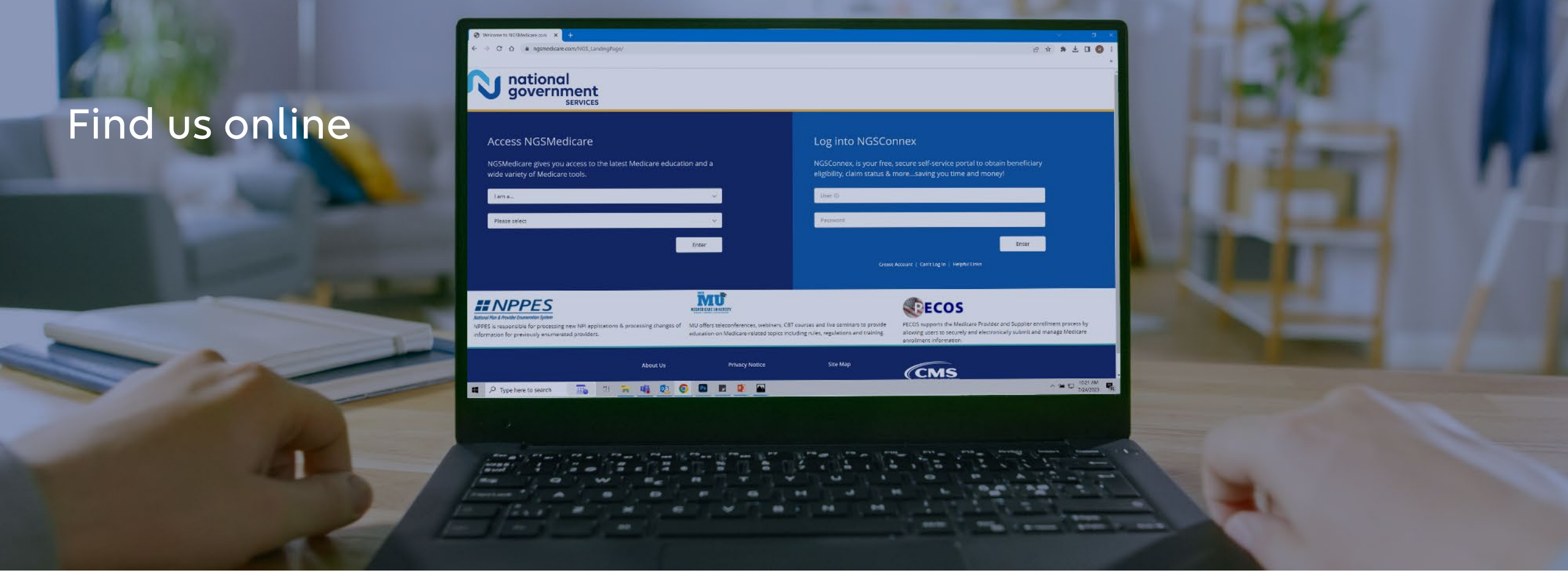
Connect with us on social media

[YouTube Channel](#)
Educational Videos

[Medicare University](#)
Self-paced online learning

[LinkedIn](#)
Educational Content

Find us online



www.NGSMedicare.com
Online resources, event calendar, LCD/NCD, and tools

[IVR System](#)
The interactive voice response system (IVR) is available 24-hours a day, seven days a week to answer general inquiries

[NGSConnex](#)
Web portal for claim information

[Sign up for Email Updates](#)
Subscribe for Email updates at the top of any NGSMedicare.com webpage to stay informed of news