MDHHS Michigan Department of Health & Human Services

Medical Services Administration

BULLETIN MSA

Bulletin Number: MSA 19-14

Distribution: Ambulance Providers, Hospitals, Nursing Facilities

Issued: May 31, 2019

Subject: Medical Necessity of Ambulance Transports, Documentation Requirements, Mileage, Interfacility Transfers, and Non-covered Services

Effective: July 1, 2019

Programs Affected: Medicaid, Healthy Michigan Plan, MIChild, Children's Special Health Care Services (CSHCS)

This policy applies to Medicaid Fee-for-Service (FFS). Medicaid Health Plans (MHPs) and Integrated Care Organizations (ICOs) must provide the full range of covered services described in this policy at a minimum and may choose to provide services over and above those specified. For beneficiaries enrolled in an MHP or ICO, the provider must check with the beneficiary's MHP/ICO for prior authorization requirements.

The purpose of this bulletin is to inform ambulance providers of changes to Medicaid FFS ambulance policy. Refer to the Michigan Department of Health and Human Services (MDHHS) Medicaid Provider Manual for information regarding Medicaid FFS ambulance policy. The Medicaid Provider Manual is available on the MDHHS website at www.michigan.gov/medicaidproviders >> Policy, Letters & Forms.

Medical Necessity of Ambulance Transports

Medical necessity is established when the beneficiary's condition is such that use of any other method of transportation is contraindicated. In cases where a mode of transportation other than an ambulance could be used without endangering the beneficiary's health, no payment may be made for ambulance services regardless of whether such other transportation is available.

The ordering provider may be held responsible if a medically unnecessary ambulance transport is ordered. The ordering provider may be subject to corrective action related to these services, including recoupment of funds. Additionally, any instances in which the ordering provider fails to document all required information necessary for a written order (e.g., physician certification statement) may be subject to recoupment of funds. (Refer to the Ambulance chapter of the Medicaid Provider Manual for information on non-emergency ambulance transport.) The ambulance provider may be subject to corrective action, including the recoupment of funds, if it submits a claim for a medically necessary non-emergency ambulance transport without record of a written order.

Documentation Requirements

Ambulance providers must maintain documentation of the medical necessity and appropriateness of service in the beneficiary's file. This documentation may be used to assess whether the transport meets medical necessity, eligibility, coverage, benefit category, and any other criteria necessary for payment. Documentation must be sufficiently detailed to allow reconstruction of what transpired for each service billed. (Refer to the Medicaid Provider Manual, General Information for Providers chapter for information on documentation.) The level of service and assessment findings must be fully documented. An ambulance provider must document the medical necessity and clinical significance of an Advanced Life Support (ALS) Assessment in the beneficiary's file. The ambulance service must meet all program coverage criteria for payment to be made.

Mileage

Ambulance mileage reimbursement is a covered Medicaid benefit when a transport occurs and has been reimbursed. Transports that are denied for any reason, including lack of emergency criteria, will also be denied for the mileage reimbursement.

Interfacility Transfers

Hospital transfers to the nearest hospital that has the necessary service may be covered when the beneficiary has been stabilized at the first hospital but needs a higher level of care available only at the second hospital. Examples of medically necessary transfers include, but are not limited to, services not available at the first facility such as rehabilitation, a burn unit, ventilator assistance, or other specialized care. The ambulance provider must maintain documentation that clearly describes what service(s) is not available at the first facility. Transport from a hospital capable of treating the beneficiary to another hospital for the convenience or preference of the ordering provider, beneficiary or beneficiary's family is not a covered benefit.

Non-covered Services

Ambulance providers cannot be directly reimbursed for the following:

- Transport to services that are not Medicaid-covered; or
- Transports that are not medically necessary, whether medical/surgical or psychiatric.

Manual Maintenance

Retain this bulletin until the information is incorporated into the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mailed to ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, NPI number, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved

Kathy Stiffler, Acting Director
Medical Services Administration