

**Bulletin Number:** MSA 06-82

**Distribution:** Outpatient Hospitals

**Issued:** December 8, 2006

**Subject:** Outpatient Prospective Payment System (OPPS) and Hospital-Owned Ambulance Services

**Effective:** As Indicated

**Programs Affected:** Medicaid, Children's Special Health Care Services, MOMS, Adult Benefits Waiver

The purpose of this bulletin is to provide information related to how the implementation of the Michigan Department of Community Health (MDCH) Outpatient Prospective Payment System (OPPS) to be implemented on April 1, 2007 will impact enrollment, billing, and reimbursement of ambulance services provided by hospital-owned ambulances. These changes do not apply to ambulance services associated with an inpatient transport. Hospitals that do not provide ambulance services may disregard this bulletin.

## **BACKGROUND**

Currently, all ambulance providers are enrolled with Medicaid as provider type (PT) 18 and bill for services using the professional claim formats (CMS-1500 and/or 837P). As part of the MDCH OPPS implementation, and in preparation for institutional crossover claims from Medicare, MDCH will closely align with Medicare's ambulance billing requirements. This will require hospital-owned ambulance services to be enrolled under the existing outpatient hospital's Medicaid ID number and bill for services using the institutional claim formats (UB-92 and/or 837I).

## **ENROLLMENT CHANGES**

MDCH will work with affected hospitals to complete the enrollment changes necessary under this policy. To initiate action, hospitals with PT 18 ambulance services must complete and return the Provider Type Information Form attached to this bulletin no later than **December 31, 2006**. Return instructions are included on the form. Once received, MDCH will transfer enrollment information of the ambulance provider from PT 18 to the hospitals existing PT 40 Medicaid ID number and end-date the PT 18 status, effective April 1, 2007.

## **OPPS AMBULANCE POLICY**

MDCH will retain its current ambulance coverage policies and fee schedule for all ambulance services with the exception of the required provider enrollment and billing format change. The Ambulance Chapter of the Michigan Medicaid Provider Manual provides detailed coverage information that will continue to apply to both Ambulance providers (PT 18) and Hospital-Owned Ambulance Services (PT 40) after OPPS implementation. Additional information for the appropriate coverage support codes and reimbursement is also available on the MDCH website at [www.michigan.gov/mdch](http://www.michigan.gov/mdch) >> Providers >> Information for Medicaid Providers >> Provider Specific Information >> Ambulance.

## **Ambulance Billing Instructions Under OPPS**

- The appropriate Revenue Code 054X (0540, 0545, or 0546) with the appropriate MDCH covered ambulance HCPCS code(s) must be reported for each ambulance trip on the individual service line(s).
- A revenue code, HCPCS code(s) and a modifier(s) are required for billing ambulance services and mileage.

- The claim line date of service must be reported for each revenue code line in the date of service field for each revenue code used.
- A one-way ambulance trip is reported on two separate consecutive revenue code lines: one line represents the ambulance service provided, and one line represents the mileage.
- Units must be reported in the Service Units field. The number of units reported for the revenue line reflecting each ambulance trip should always equal "1".
- The appropriate origin and destination modifier(s) must be included on the service line when billing for mileage.

Origin and Destination Modifiers	Description
D	Diagnosis or therapeutic site other than "P" or "H" when these are used as origin codes
E	Residential domiciliary custodial facility (other than a Medicare/Medicaid facility)
G	Hospital based dialysis facility
H	Hospital
I	Site of transfer (e.g., airport or helicopter pad) between modes of transportation
J	Non hospital-based dialysis facility
N	Skilled Nursing Facility (SNF) (Medicare/Medicaid facility)
P	Physician's office
R	Residence
S	Scene of accident or acute event
X	(Destination code only) Intermediate stop at a physician's office on the way to the hospital

### Multiple Patient Transport

When billing for a transport when more than one patient is transported at one time, the appropriate modifier must be reported on the service line for the transport for the second or subsequent patient being transported.

Modifier	Description	Special Instructions
GM	Multiple patients on one ambulance trip	Enter on the transport service line for second or subsequent patient when more than one patient is transported. Reduces reimbursement for the second or subsequent patient transported. Do not report for the first patient.

### Mileage

When billing the mileage code, enter the appropriate number of whole miles the beneficiary was transported in the Service Unit field. Do not use decimals.

### Wait Time

When billing for wait time (if more than 30 minutes of waiting time occurs), report the procedure code and enter the appropriate number of time units in the Units of Service field. Bill one time unit for each 30 minutes of wait time over and above the first 30 minutes.

The maximum number of hours allowed for waiting time is four hours (8 time units). Documentation is required when billing wait time regarding the circumstances, noting under Remarks or submitted as an attachment with the claim.

**ZIP Code**

MDCH does not require reporting the ZIP code of the geographic location for pricing.

**OTHER OPPS INFORMATION**

MDCH is implementing an OPPS for all PT 40s (outpatient hospitals, freestanding dialysis ESRD facilities, Comprehensive Outpatient Rehabilitation Facilities (CORFs) and rehab agencies), as well as hospital-owned ambulance companies (currently enrolled as PT 18) effective April 1, 2007. Details of coverage and reimbursement policy changes were distributed in Medicaid policy bulletin MSA 06-47. The bulletin and other OPPS information is available on the OPPS Project website at [www.michigan.gov/mdch](http://www.michigan.gov/mdch) >> Providers >> Information for Medicaid Providers >> Outpatient Prospective Payment System (OPPS) Project.

**Manual Maintenance**

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

**Questions**

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

**Approved**

Paul Reinhart, Director  
Medical Services Administration



# Provider Type Information Form

## Michigan Department of Community Health Medical Services Administration

**Please fill out the information below if you are currently enrolled as a Provider Type 18:  
(Please print or type)**

Medicaid PT18 Number	
Tax ID Number	
NPI Numbers	
Ambulance Name	
Street Address	
City	
State	
ZIP Code	
Contact Name	
Contact Number	

**Provider Information - OPH PT 40 Medicaid Provider Number (Please print or type)**

OPH PT40 Medicaid Provider Number	
Tax ID Number	
NPI Numbers	
Facility Name	
Street Address	
City	
State	
ZIP Code	
Contact Name	
Contact Number	

**INSTRUCTIONS:**

**Return this form and a copy of your current ambulance license by mailing a copy to:**

Michigan Department of Community Health  
Attn: Susan Schwenn  
PO Box 30479  
Lansing, Michigan 48909-7979

**OR**

**Fax to:** (517) 335-5136

**OR**

**Email to:** [APCproject@michigan.gov](mailto:APCproject@michigan.gov)