

CHAMPVA POLICY MANUAL

CHAPTER: 3
SECTION: 9.1
TITLE: **AMBULANCE SERVICES REIMBURSEMENT**

AUTHORITY: 38 CFR 17.270(a) and 17.272 (a)(59)

RELATED AUTHORITY: 32 CFR 199.4(d)(3)

I. EFFECTIVE DATE

August 26, 1985

II. PROCEDURE CODE(S)

HCPCS Level II codes A0225, A0382-A0384, A0392-A0398, and A0422-A0431, A0433-A0436, and A0999

III. POLICY

A. General

1. The allowable charge methodology will be used to adjudicate ambulance claims.

2. In service areas where suppliers routinely bill a mileage charge for ambulance services in addition to a base rate, an additional payment based on prevailing mileage charges may be allowed. Payable charges are limited to loaded mileage only, i.e., from the pickup of a patient to his/her destination. It is presumed that all unloaded mileage costs are taken into account when a supplier establishes its basic rates/charge for ambulance services.

3. The advanced life support ambulances (ALS) allowable charge may be used as a basis for payment when an ALS ambulance is used, but only if use of the ALS ambulance is specifically justified on the claim (i.e., stating the necessity for ALS services). If justification is not submitted, the claim will be denied.

B. Charges made in addition to base rates and mileage charges. The following guidelines shall be used when an ambulance supplier bills for other than the base rate and a mileage charge.

1. Reusable devices and equipment such as backboards, neck boards, inflatable leg and arm splints, and linens (sheets) are considered part of the base charge and shall be included in the cost of, or charge for, the trip. Any additional charge for such items will be denied.

2. Payment of services and supplies provided by ambulance personal at an accident scene may be allowed when the patient's condition warrants transfer to an inpatient acute care setting and medical services and/or supplies are provided solely to stabilize the patient's condition while awaiting the arrival of a more urgent means of transfer such as air ambulance services.

3. A separate allowable charge based on actual quantities used may be recognized for non-reusable items and disposable supplies such as oxygen, gauze, dressings and disposable linens required in the care of the patient during his trip.

4. Although separate charges may be allowed for specific ALS ambulance services, no separate charge can be allowed for the personnel manning the ALS, even though they are more highly qualified than the personnel in a basic ambulance. Their costs are to be included in the base and mileage charges.

5. Refer to CHAMPVA Policy Manual, [Chapter 2, Section 32.1](#), *Ambulance Service*, for additional information on the coverage of ambulance services.

C. Cost Sharing. The cost sharing for ambulance services and supplies will be in accordance with the status of the patient at the time the covered services and supplies are rendered. [32 CFR 199.4(a)(4)]

1. Ambulance transfers from a beneficiary's place of residence, accident scene, or other location to a civilian hospital, or VA hospital will always be cost shared on an outpatient basis. Transfers from a hospital to a patient's residence will also be considered an outpatient service for reimbursement under the program.

2. Ambulance transfers between hospitals (acute care, general and special hospitals, psychiatric hospitals, and long-term hospitals) will be cost shared.

3. Ambulance transfer guidelines for inpatient beneficiary deductibles and cost sharing provisions are as follows:

(a) Deductible. None.

(b) Cost Share Amount. The cost share applicable to ambulance service transfers for CHAMPVA beneficiaries is twenty five percent (25%) of the allowable amount.

(c) Medically necessary ambulance transfers from an emergency room (ER) to a hospital more capable of providing the required level of care.

IV. POLICY CONSIDERATIONS

A. Ambulance membership programs are considered analogous to supplemental plans.

B. When an ambulance company bills a flat fee for ambulance transport within its service area, reimbursement will be at the lesser of the billed amount (flat fee) or the statewide prevailing for services provided, subject to applicable beneficiary cost sharing.

C. Ambulance Service by Other Than Land Vehicles.

1. Ambulance service by other than land vehicles (i.e., boat or aircraft) may be considered when the criteria, in the CHAMPVA Policy Manual, [Chapter 2, Section 32.1](#), *Ambulance Service*, is met.

2. The claim must contain sufficient documentation to establish the medical necessity of both the mode of transportation and medical attendant.

3. The ambulance company may include the professional medical attendant's services on its bill if the medical attendant is an employee of the ambulance company. In such circumstances, the cost of the medical attendant must be considered as included in the reasonable charge for the air/water ambulance.

4. The medical attendant is an individual professional provider in his/her own right and normally bills on a fee-for-service basis. The attendant may bill for medical services rendered during an air/water ambulance transfer; however, other requirements must be met (i.e., requires a physician referral and supervision for services of a RN).

5. When an air/water ambulance company bills as an agent for a medical attendant, documentation must be provided before separate payment can be made.

6. When a conventional ambulance would have sufficed, the reasonable charge will be limited to the amount which would have been payable for a land ambulance if this amount is less than the air/water ambulance charge.

7. Air/water ambulance claims are reviewed for medical necessity.

D. Itemization requirements are determined by the particular HCPCS code(s) used in filing an ambulance claim.

V. EXCLUSION

Night differential pay for ambulance services.

END OF POLICY