



COMMISSIONER
Adelaide Horn

August 31, 2006

To: Nursing Facility Providers

Re: Information Letter 06-83: Non-Emergency Ambulance Transportation of Nursing Facility Residents

Dear Nursing Facility Providers:

The Texas Health and Human Services Commission (HHSC) announced new enforcement efforts related to prior authorization before requesting non-emergency ambulance transportation. Effective for dates of service on or after September 1, 2006, claims submitted for non-emergency ambulance transport will require prior authorization in accordance with the Human Resource Code (HRC) 32.024(t). Nursing facilities that do not obtain prior authorization will be liable for payment to the ambulance provider.

The Department of Aging and Disability Services (DADS) nursing facility rule 40 TAC §19.2320 specifies the criteria for both emergency and non-emergency ambulance transportation. As per rule, all non-emergency ambulance transportation of nursing facility residents must be prior authorized by the Texas Medicaid and Healthcare Partnership (TMHP).

According to HHSC rule, 1 TAC §354.1111, non-emergency transport is defined as a transport to or from a medical appointment for a Medicaid client who requires treatment in another location and is so severely disabled that the use of an ambulance is the only appropriate means of transport. Severely disabled is defined as the physical condition of a Medicaid client that limits mobility and requires the client to be bed-confined at all times, unable to sit unassisted at all times, or requires continuous life-support systems (including oxygen or intravenous infusion). DADS definitions of these terms in 40 TAC § 19.2320 is similar.

The 2006 TMHP Texas Medicaid Provider Procedures Manual, sections 9.3.1 and 9.3.3 detail the process by which providers must apply for prior authorization and contains the required form (Physician's Medical Necessity Certification for Non-emergency Ambulance Transports – Texas Medicaid Program). Questions about the non-emergency ambulance transportation policy may be directed to TMHP's Ambulance unit at 1-800-925-9126 or to your provider relations representative. Requests for prior authorization must be faxed to the TMHP Ambulance Unit at (512) 514-4205. TMHP will respond to all requests within 48 hours.

It is important to note that responsibility for obtaining prior authorization rests with the nursing facility; not the ambulance provider. Many local ambulance associations are contractually bound to provide transportation when requested and will do so with or without prior authorization. DADS rule 40 TAC §19.2320 (e)(2)(C) states in part, "If payment under the medical assistance program is denied because the facility failed to obtain prior authorization, the facility must pay for the service if presented a copy of the bill for which payment was denied."

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In a situation where a Medicaid nursing facility resident receives non-emergency transport by an ambulance provider, no prior authorization was obtained by the nursing facility, the nursing facility is presented with a TMHP claim denial for lack of prior authorization, and the nursing facility does not reimburse the ambulance provider; then the ambulance provider may file a complaint with DADS Complaint Hotline at 1-800-458-9858. The complaint will be referred to DADS Regulatory Services department for review. Should DADS Regulatory Services confirm that the nursing facility failed to properly obtain prior authorization and then subsequently failed to properly reimburse the ambulance provider, the nursing facility will be cited for non-compliance with §19.2320 and a plan of correction will be necessitated.

Sincerely,

(signature on file)

Larry North
Section Director
Institutional Services