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State of California—Health and Human Services Agency Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

DATE: January 31, 2020

ALL PLAN LETTER 20-002

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS¹

SUBJECT: NON-CONTRACT GROUND EMERGENCY MEDICAL TRANSPORT PAYMENT OBLIGATIONS

PURPOSE:

The purpose of this All Plan Letter (APL) is to provide Medi-Cal managed care health plans (MCPs) with pertinent information concerning enhanced reimbursement obligations for Fee-For-Service (FFS) ground emergency medical transport (GEMT) services reported using Current Procedural Terminology (CPT) codes A0429, A0427, A0433, A0434, and A0225. These payment standards impact MCP reimbursement of out-of-network GEMT services, as required by Title 42 of the United States Code (USC) section 1396u-2(b)(2)(D), commonly referred to as “Rogers Rates.”²

BACKGROUND:

The Department of Health Care Services (DHCS) established the GEMT Quality Assurance Fee (QAF) program pursuant to the Legislature’s 2017 addition of Article 3.91 (Medi-Cal Emergency Medical Transportation Reimbursement Act) to the California Welfare and Institutions Code (WIC).³ On September 6, 2019, DHCS obtained federal approval from the Centers for Medicare and Medicaid Services (CMS) for California State Plan Amendment (SPA) 19-0020, with an effective date of July 1, 2019.⁴ SPA 19-0020 continues the GEMT QAF program and a reimbursement add-on amount for GEMT services provided by emergency medical transport providers to MCP Members beginning on July 1, 2019. DHCS intends to renew the GEMT QAF program and the reimbursement add-on for GEMT services provided by emergency medical transport providers for future program years. Please note that the requirements of this APL may be subject to change if required for applicable CMS approvals.

POLICY:

Pursuant to 42 USC section 1396u-2(b)(2)(D), Title 42 of the Code of Federal Regulations (CFR), section 438.114(c), and WIC Article 3.91 (sections 14129-14129.7),

¹ This APL does not apply to Prepaid Ambulatory Health Plans.

² The USC is searchable at: <https://uscode.house.gov/>

³ California law is searchable at: <http://leginfo.legislature.ca.gov/faces/home.xhtml>

⁴ Approved California SPA 19-0020 is available at:

<https://www.dhcs.ca.gov/formsandpubs/laws/Documents/SPA19-0020Approval.pdf>

MCPs must provide enhanced reimbursement rates for specified GEMT services to non-contracted emergency medical transport providers.⁵

In accordance with WIC section 14129(g), “emergency medical transport” is defined as the act of transporting an individual from any point of origin to the nearest medical facility capable of meeting the emergency medical needs of the patient by an ambulance licensed, operated, and equipped, in accordance with applicable state or local statutes, ordinances, or regulations, excluding transportation by an air ambulance provider, that are billed with CPT codes A0429 (BLS Emergency), A0427 (ALS Emergency), A0433 (ALS2), A0434 (Specialty Care), A0225 (Neonatal Emergency), and other equivalent or successor billing codes as determined by the director, excluding any transports billed when, following evaluation of a patient, transport is not provided.

Beginning on July 1, 2019, in addition to the FFS fee schedule base rate for GEMT services, emergency medical transport providers will be entitled to a fixed add-on amount of \$220.80 for non-contracted GEMT services provided to MCP Members. The resulting payment amounts will be equal to the sum of the FFS fee schedule base rate and the add-on amount for each CPT Code. The resulting total payment amount for CPT codes A0429, A0427, A0433, and A0434 is \$339.00 and, for CPT code A0225, it is \$400.72. The add-on is paid for each eligible CPT code on a per-claim basis:

Service Code	Description	Current Payment	Add-On Amount	Resulting Total Payment
A0429	Basic Life Support, Emergency	\$118.20	\$220.80	\$339.00
A0427	Advanced Life Support, Level 1, Emergency	\$118.20	\$220.80	\$339.00
A0433	Advanced Life Support, Level 2	\$118.20	\$220.80	\$339.00
A0434	Specialty Care Transport	\$118.20	\$220.80	\$339.00
A0225	Neonatal Emergency Transport	\$179.92	\$220.80	\$400.72

⁵ 42 CFR 438.114 is available at: https://www.ecfr.gov/cgi-bin/text-idx?SID=fd17fa5cfdd55a85fd493feac23a0573&mc=true&node=se42.4.438_1114&rgn=div8

The resulting total payment amount, which is inclusive of all modifiers, listed in the foregoing table for applicable CPT codes are the “Rogers Rates” that MCPs—or their delegated entities and Subcontractors—must pay non-contracted emergency medical transport providers pursuant to federal and state law for each SFY for which the FFS reimbursement rate add-on is effective.

Timing of Payment and Claim Submission

The projected value of this payment obligation will be accounted for in the MCPs’ actuarially-certified, risk-based capitation rates. MCPs must pay for all clean claims or accepted encounters with the dates of service on or after July 1, 2019. MCPs must pay as required by this APL within 90 calendar days of receiving a qualifying clean claim or an accepted encounter.

MCPs are required to make timely payments in accordance with this APL for clean claims or accepted encounters for qualifying transports submitted to the MCPs within one year after the date of service. MCPs are not required to pay the GEMT payment obligation specified in this APL for claims or encounters submitted more than one year after the date of service unless the non-contracted GEMT provider can show good cause. These submission and payment timing requirements may be waived only if agreed to in writing between the MCPs, the MCPs’ delegated entities, or subcontractors, and the rendering GEMT provider.

Impacts Related to Medicare

For dual eligible beneficiaries with Medicare Part B coverage, the increased Medi-Cal reimbursement level may result in a crossover payment obligation on the MCP because the new Medi-Cal reimbursement amount may exceed 80% of the Medicare fee schedule. Based on current Medicare reimbursement rates, the only CPT code where this scenario may occur in certain geographic areas is A0429. MCPs are responsible for identifying and satisfying any Medicare crossover payment obligations that may result from the increase in GEMT reimbursement obligations described in this APL.

In instances where a member is found to have other source(s) of health coverage, MCPs are required to take appropriate action in accordance with the “Cost Avoidance and Post-Payment Recovery of Other Health Coverage Sources” provisions contained in the MCP Contract.⁶

Other Obligations

MCPs are responsible for ensuring that qualifying transports are reported using the specified CPT codes that are appropriate for the services being provided, and that such

⁶ See MCP Contract, Exhibit E, Attachment 2, Program Terms and Conditions, available at: <https://www.dhcs.ca.gov/provgovpart/Pages/MMCDBoilerplateContracts.aspx>.

transports are reported to DHCS in encounter data pursuant to APL 14-019, regardless of the actual payor of such services.⁷

Consistent with the terms of the MCP Contract, MCPs must have a formal procedure for the acceptance, acknowledgement, and resolution of emergency medical transportation provider grievances associated with processing or non-payment of obligations under this APL. Moreover, MCPs must identify a designated point-of-contact for provider questions and technical assistance.

MCPs are responsible for ensuring that their delegated entities and Subcontractors comply with all applicable state and federal laws and regulations, contract requirements, and other DHCS guidance, including APLs and Policy Letters. MCPs must communicate these requirements to all delegated entities and Subcontractors.

DHCS intends to renew the GEMT QAF program and reimbursement add-on for GEMT services provided by emergency medical transport providers for future program years. Please note that the requirements of this APL may be subject to change if required for applicable CMS approvals.

If you have any plan related questions regarding this APL, please contact your Capitated Rates Development Division Rate Liaison. If you have any provider related questions regarding this APL, please send an email to GEMTQAF@dhcs.ca.gov.

Sincerely,

Original signed by Nathan Nau

Nathan Nau, Chief
Managed Care Quality and Monitoring Division

⁷ APLs are available at: <https://www.dhcs.ca.gov/formsandpubs/Pages/AllPlanLetters.aspx>.