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**State/Territory Name: Alabama**

**State Plan Amendment (SPA) AL-22-0003**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services

Center for Medicaid & CHIP Services

233 North Michigan Ave., Suite 600

Chicago, Illinois 60601



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**Financial Management Group**

February 9, 2023

Stephanie McGee Azar, Commissioner  
Alabama Medicaid Agency  
501 Dexter Avenue  
Montgomery, AL 36103-5624

Re: Alabama State Plan Amendment (SPA) 22-0003

Dear Ms. Azar,

We have reviewed the proposed Alabama State Plan Amendment (SPA) 22-0003, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on November 14, 2022. This amendment will provide enhancement payments to eligible ground emergency medical transport (GEMT) providers by implementing an add-on reimbursement fee to the base rates for eligible emergency medical transportation services.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 01, 2023. We are enclosing the approved CMS-179 Form and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Monica Neiman at [monica.neiman@cms.hhs.gov](mailto:monica.neiman@cms.hhs.gov) or call at (945) 356-1231

Sincerely,



Todd McMillion  
Director  
Division of Reimbursement Review

Enclosures



Provider Reimbursement Manual). Rates will be renegotiated upon mutual agreement between the agencies and will not exceed the allowable costs according to the principles for cost determination cited above.

Effective Date: 01/01/92

- e. Covered Family Planning drugs prescribed (oral contraceptives and supplies) are paid pursuant to the method described in section 4 of this attachment.

Effective Date: 01/01/92

- f. Covered Drugs prescribed for treatment of conditions identified and referred from an EPSDT examination are paid pursuant to the method described in section 4 of this attachment.

11. Ambulance Services

Effective Date: 01/01/2023

Payment for ground or air (for children under the age of 21 years old) ambulance services shall be based on the lesser of the submitted charge or Alabama Medicaid's statewide ambulance service rates. Air transportation for adults 21 years of age and older will be reimbursed at the emergency ground rate. The amount to be paid to out-of-state providers shall be their usual and customary fees not to exceed the maximum allowable charges or benefits established by Medicaid. Except as otherwise noted in the plan, payment for ambulance services is based on state-developed fee schedule rates, which are the same for both governmental and private providers. The agency's rates were set as of May 14, 2010 and are effective for services provided on or after that date. The fee schedule is subject to annual/periodic adjustments and all current rates are published and maintained on the Alabama Medicaid Agency's website as follows:

[http://www.medicaid.alabama.gov/documents/6.0\\_Providers/6.6\\_Fee\\_Schedules/6.6\\_Ambulance\\_Rates\\_12-21-11.pdf](http://www.medicaid.alabama.gov/documents/6.0_Providers/6.6_Fee_Schedules/6.6_Ambulance_Rates_12-21-11.pdf)

Ground Emergency Medical Transport Services Reimbursement Add-On Payment

Effective Date: First full quarter after SPA approval

Effective with the first full quarter after receipt of CMS approval:

This program will provide enhancement payments to eligible ground emergency medical transport (GEMT) providers by implementing an add-on reimbursement fee to the base rates for eligible emergency medical transportation services. The reimbursement rate add-on will cover GEMT services and will be applied in lump sum quarterly payments to eligible Healthcare Common Procedure Coding System (HCPCS) emergency transport codes. The base rates for GEMT will not change with this amendment to the Alabama Medicaid's State Plan.

"Emergency medical transportation" means 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 federal, state and local statutes, ordinances, and regulations.

**Effective 01/01/2023 (as defined 42 CFR § 410.40(b))**

A uniform add-on rate per emergency transport will be determined quarterly and will not exceed one hundred percent (100%) of the difference between Medicaid payments otherwise made to each GEMT provider for GEMT services (base rates) and the amount providers would have received from commercial insurers for those services. Commercial rate data will be reported by surveyed providers and used to determine the statewide average commercial rates for each GEMT service. The statewide average commercial rates will be multiplied by the volume of Medicaid paid GEMT services for the previous quarter, to calculate the quarterly ambulance add-on payments total.

The quarterly ambulance add-on payments will not exceed the quarterly funding available. Add-on payments for each GEMT provider will be calculated for each quarter by multiplying the uniform add-on rate by the provider's volume of Medicaid transports billed with HCPCS codes A0429 BLS Emergency, A0427 ALS Emergency (Level 1), A0433 ALS Emergency (Level 2), A0434 Specialty Care Transport, and A0225 Neonatal Emergency Transport, and paid during the preceding quarter as determined through the Medicaid Management Information System. An evaluation of a patient by a GEMT provider is not eligible for an add-on payment when a transport is not provided.

GEMT providers not subject to licensure within the State of Alabama will not receive the add-on rate payment. The add-on rate payment does not apply to Medicare crossover transports.

12. Nurse-midwives

Effective Date: 10/01/2011

Payment to nurse-midwives shall be based on payments made to physicians for similar services. Payment to midwives shall be 80% of the amount paid to physicians. Except as otherwise noted in the plan, payment for nurse-midwife services is based on 80% of the state-developed physician fee schedule rates, which are the same for both governmental and private providers. The agency's rates were set as of January 15, 1992 and are effective for services provided on or after that date. The fee schedule is subject to annual/periodic adjustments and all current rates are published and maintained on the Alabama Medicaid Agency's website as follows:

[http://www.medicaid.alabama.gov/documents/6.0\\_Providers/6.6\\_Fee\\_Schedules/6.6\\_Physician\\_Fee\\_Sched\\_8-12-11.pdf](http://www.medicaid.alabama.gov/documents/6.0_Providers/6.6_Fee_Schedules/6.6_Physician_Fee_Sched_8-12-11.pdf)

13. Outpatient Hospital Services

Effective Date: 10/01/2021

a. Definitions Related to Payments for Outpatient Hospital Services

(1) Supplemental Payment: Eligible hospitals may receive a supplemental hospital payment for services provided to Medicaid recipients. These payments will be in the form of an access payment or enhanced payment as outlined in paragraph b on page 8.2 (Upper Payment Limit Calculation).

(2) Hospital: For purposes of Medicaid base fee schedule payments, access payments, enhancement payments, and DSH payments for the period from October 1, 2013, through September 30, 2022, a facility, which is licensed as a hospital under the laws of the State of Alabama, provides 24-hour nursing services, and is primarily engaged in providing, by or under the supervision of doctors of medicine or osteopathy, inpatient services for the diagnosis, treatment, and care or rehabilitation of persons who are sick, injured, or disabled.