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# Policy Clarification #PC000308

## Bundled Transportation Reimbursement

February 20, 2026

To: Iowa Medicaid Managed Care Plans

This letter is a formal notification of the Department's expectations related to the operations and implementation of Iowa Medicaid under the managed care program.

Purpose of this communication (check all that apply):

- Provide formal guidance
- Clarification of existing Iowa Medicaid policy
  - Federal mandate: [cite CFR]
  - Iowa Code: [cite section]
  - Iowa Administrative Code: [cite IAC]
  - Managed Care Contract (if applicable): [cite contract section and if MCO or PAHP]
- Guidance on new process or policy
- Replacement of prior PC: [PC #]

The purpose of this letter is to provide clarification about billing for medical supplies for medical transportation.

Primary Ambulance Transport procedure codes do not allow separate reimbursement for supplies, reusable devices and equipment, or intravenous (IV) drugs under the Iowa Medicaid program. While these items may be medically necessary, their costs are already included in the reimbursement for ambulance transport services.

Refer to the chart below for current procedure code combinations as outlined in the Iowa Medicaid Ambulance Fee Schedule. This policy applies to all procedure codes within the identified non-payable categories and will continue to apply to any future procedure code changes reflected in ongoing fee schedule updates.

| <b>Supplies</b>       |                                 |
|-----------------------|---------------------------------|
| <b>Procedure Code</b> | <b>Description</b>              |
| A0382                 | BLS ROUTINE DISPOSABLE SUPPLIES |
| A0398                 | ALS ROUTINE DISPOSABLE SUPPLIES |

| <b>Primary Ambulance Transport Services</b> |  |
|---|--|
| <b>Procedure Code</b>                       | <b>Description</b>                                 |
| A0426                                       | AMBU SERVICE, ADVANCE LIFE, NON EMERGENCY          |
| A0427                                       | AMBU SERV, ADVANCED LIFE SUPPORT, EMERGENCY        |
| A0428                                       | AMBU SERV, BASIC LIFE SUPPORT, NON EMERGENCY       |
| A0429                                       | AMBU SERV, BASIC LIFE SUPPORT, EMERGENCY TRANSPORT |
| A0430                                       | AMBU SERV, CONVENTIONAL AIR, ONE WAY (FIXED WING)  |
| A0431                                       | AMBU SERV, CONVENTIONAL AIR, ONE WAY (ROTARY WING) |
| A0433                                       | ADVANCE LIFE SUPPORT                               |
| A0434                                       | SPECIALTY CARE TRANSPORT                           |
| S9960                                       | Ambulance service, conventional air service        |
| S9961                                       | Ambulance service, nonemergency transport          |

Related to this Policy Clarification:

- ▶ Effective date of this Policy Clarification: March 1, 2026
- ▶ Claims processing requirement:
  - Prospective
  - Retroactive
  - Not applicable

Attestation:

I hereby acknowledge receipt and understanding of this policy clarification, including all specified requirements and deadlines.

Name \_\_\_\_\_ Date \_\_\_\_\_

The department will monitor progress towards implementation and may impose remedies for failure to implement.

Sincerely,

Contract Manager  
Managed Care Contract Manager