Medicaid Surety Bond Requirements for Ambulance Providers

Information posted August 8, 2013

Beginning September 1, 2013, all newly enrolling or re-enrolling ambulance providers must, as a condition of enrollment and continued participation with Texas Medicaid, obtain a surety bond that complies with Title 1, Texas Administrative Code (TAC) §352.15.

Note: Ambulance providers that are directly operated by a governmental entity are exempt from this requirement.

The surety bond that is obtained must meet all of the following requirements:

- The amount of the bond must be at least \$50,000 for each enrolled location.
- The bond must be submitted to TMHP on the <u>State of Texas Medicaid Provider Surety Bond</u> form. No other form will be accepted. The use of this form designates the Texas Health and Human Services Commission as the sole obligee of the bond. Instructions are included with the form.
- The bond must be issued for a term of 12 months. Bonds for longer or shorter terms are not acceptable.
- The bond must be in effect on the date that the provider enrollment application is submitted to TMHP for consideration. The effective date stated on the bond must be:
 - No later than the date that the provider enrollment application is submitted.
 - No earlier than 12 months before the date the provider enrollment application is submitted.
- The bond must be a continuous bond, which remains in full force and effect from term to term unless the bond is canceled.

Important: An annual bond that specifies effective and expiration dates for the bond is not acceptable.

At the time of enrollment or re-enrollment, non-government-operated ambulance providers must submit the surety bond form with original signatures and a copy of the Power of Attorney document from the surety company that issued the bond.

Note: Surety companies may refer to Texas Department of Insurance (TDI) file #9212547536 or TDI link #124506 when filing the bond.

Proof of Continuation

Providers must maintain a current surety bond to continue participation in Texas Medicaid. Each year, providers must submit documentation that shows proof of continuation of the bond for a new 12-month term. The document may be submitted on the surety bond company's form and must include the following components:

- Bond number
- Principal's name, address, and Tax ID or Medicaid provider number (Texas Provider Identifier)
- Surety company's name and address

- Date of the original bond
- New "good through" date

To avoid losing Medicaid enrollment status, providers must submit the proof of continuation to the TMHP Provider Enrollment before the expiration date of the bond currently on file. The completed proof of continuation document must include the original signatures of the authorized corporate representative of the non-governmental ambulance provider (principal), and the attorney-in-fact of the surety company. Providers may submit a copy of the proof of continuation (scan, fax, photocopy) pending the submission of the original document.

Submission Information

The surety bond must be submitted to the TMHP Provider Enrollment Department at the following address:

Texas Medicaid & Healthcare Partnership ATTN: Provider Enrollment P.O. Box 200795 Austin, TX 78720-0795 Fax: (512) 514-4214

For more information, call the TMHP Contact Center at 1-800-925-9126.