

Transportation Brokerage

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The Assurance of Medical Transportation

- Many Medicaid recipients have limited or no transportation resources.
- Federal law requires Medicaid programs to cover non-emergency transportation to ensure access to medical care
 - 42 CFR 431.53: all states receiving federal Medicaid funds must “ensure necessary transportation for recipients to and from providers.”

How NEMT was provided prior to October 1, 2010

- Members made their own transportation arrangements.
 - Typically, members went to their appointments and afterwards submitted claims to their Income Maintenance Worker (IMW) at their local DHS office.
 - If a member had no means of transportation, the member was responsible for arranging the trip with a transportation agency. The transportation provider would then submit a claim to the IMW.
- This approach resulted in a number of deficiencies such as:
 - Failing to ensure the appropriate mode of transportation;
 - Members were not attending medical appointments due to lack of transportation;
 - IMW's were having to review, research, and process claims;
 - Created inefficient transportation networks; and
 - Claims were prone to fraud and abuse.

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NEMT Prior to October 1, 2010

Fiscal Year	# of Claims	State/Federal Expenditures
FY 2007	70,091	\$5.3 million
FY 2008	77,965	\$6.8 million
FY 2009	87,999	\$7.8 million
FY 2010	92,139	\$7.8 million

- The number of eligible members grew by approximately 18% over this time period.
- The number of claims by 31%.

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Why a Brokerage?

- Brokerage is a single managed system for arrangement, oversight and payment of transportation services.
- The brokerage system is the most accepted alternative model to managing NEMT services around the country.
 - Approximately 30 States have some form of brokerage system.
- On September 30, 2008, U. of Iowa, Public Policy Center published a study entitled, "Iowa Medicaid Non-Emergency Medical Transportation System Review and Options for Improvements."
 - The study recommended a single, statewide broker system for arranging NEMT and paying claims.

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Why a Brokerage?

- DHS Field staff concerned that the program was being abused.
- IME Program Integrity Unit reviews on NEMT transportation providers found overpayments and abuse.
- Department of Inspection and Appeals, Medicaid Fraud Control Unit has referred transportation providers for convictions related to fraud.
- Transportation through a brokerage receives higher federal match rate (62% vs. 50% match)
- Brokerage authorized by State Legislature: **2009 Iowa Acts Ch. 182 (HF 811) – Sec. 9(22)**

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What does a NEMT Brokerage do?

Iowa Medicaid's Transportation Brokerage provides the following:

- ✓ Program oversight
- ✓ One single (800) phone number for members to call to arrange medical trips
- ✓ A network of transportation providers
- ✓ A call center to receive trip requests and answer questions
- ✓ Verification of the Medicaid member's eligibility
- ✓ Verification that the requested trip is for a Medicaid-covered service
- ✓ Determination of the least costly, most appropriate mode of transportation
- ✓ Dispatches the trip to an appropriate transportation provider, if transportation is required
- ✓ Preauthorization of the trip
- ✓ Reimbursement to members/individuals/agencies
- ✓ Verification that transportation providers and members/individuals meet vehicle and driver standards

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Iowa's Transportation Broker: TMS Management Group, Inc.

- RFP issued by IME on February 25, 2010; Five (5) bid proposals received.
 - Contract awarded on May 10, 2010 to TMS Management Group, Inc. Midwest office located at the Des Moines Airport terminal.
 - Three (3) year contract with the option of three (3) additional one (1) year terms.
 - Performance measures
 - The payment is a "risk-based", capitated rate of \$2.14 per member per month.
 - Brokerage model and contract yields savings to the state.
- * The broker cannot arbitrarily deny or reduce the amount, duration, or scope of required service solely because of cost savings, bias, or self-motivated reasons.

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How members access NEMT?

- Members seeking reimbursement or requiring transportation need to call 1-866-572-7662 at least three (3) business days in advance.
- Members need to provide the following information:
 - Name, Address, SID number
 - The name of the referring/attending physician, their address, phone number, and fax number
 - Reason for the trip (i.e. dialysis, foot problems, annual checkup, therapy, etc...)
- The Broker gives the member a trip confirmation number when the trip is authorized.

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Brokerage Service Statistics

	Oct 2010	Nov 2010	Dec 2010
No. of Elig. Members	387,414	386,808	387,432
Total Users	3,859	3,355	3,476
Mileage reimb.	15,125	13,921	14,630
Ambulatory	4,395	4,859	5,564
Wheelchair	1,304	1,351	1,739
Bus	23	5	2
Stretcher	14	25	18
No. of Trips	20,861	20,161	21,953

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Challenges and Issues

- Every new process has start-up issues (especially one affecting over 350,000 individuals)
- We are just passing the first 4 months of operation
- Adjustment for members and providers to new processes
- Start-up issues for new contract (new TMS staff, etc)
- Added requirement of trip prior authorizations
 - DHS/TMS have provided outreach and member education
- Shifted responsibility of claims processing to TMS
- DHS closely monitoring contract and implementation
- TMS has been responsive to issues and addressing problems