MACPAC

Mandated Report on Non-Emergency Medical Transportation: Work Plan and Preliminary Findings

Medicaid and CHIP Payment and Access Commission

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Overview

- Congressional request
- Background
- Policy questions and analysis plan
- Findings to date
- Next steps

Congressional Request

- The Senate Appropriations Committee report language for fiscal year (FY) 2020 directs MACPAC to "...examine, to the extent data are available, the benefits of NEMT from State Medicaid programs on Medicaid beneficiaries, including beneficiaries with chronic diseases including ESRD, substance abuse disorders, pregnant mothers, and patients living in remote, rural areas, and to examine the benefits of improving local coordination of NEMT with public transportation and other Federally-assisted transportation services..."
- Directs the U.S. Department of Health and Human Services (HHS) to take no regulatory action on availability of NEMT until the MACPAC study is completed
- Request has no due date and does not require recommendations

Background

NEMT Overview

- States are required to provide NEMT and use the most appropriate form of transportation
  - specified in regulation (42 CFR 440.170, 42 CFR 431.53), not in statute
  - also required to provide NEMT as part of early and periodic screening, diagnostic, and treatment (EPSDT) services
- Scope of benefit varies by state but generally covers a broad range of transportation services
- In FY 2018, states and the federal government spent over $2.2 billion on NEMT provided through FFS
  - states may claim federal Medicaid match for NEMT as administrative or medical assistance expenses

Proposed Changes to NEMT Requirements

- Some states have sought Section 1115 demonstration authority to exclude NEMT for certain populations
  - e.g., IA, IN, GA, KY received approval
- The Administration has considered making NEMT an optional benefit through a revised regulation
- Congress has considered codifying NEMT regulations into statute

Policy Questions and Analysis Plan

MACPAC Study Components

- Environmental scan and semi-structured interviews
  - scan of state NEMT policies (all 50 states and D.C.)
  - interviews with Medicaid officials in six states (AZ, CT, GA, IN, MA, and TX), federal officials from the Centers for Medicare & Medicaid Services (CMS) and the Federal Transit Administration (FTA), and other stakeholders
- Focus groups with beneficiaries who have used NEMT
  - eight virtual focus groups with beneficiaries in the six study states
- Analysis of administrative data on NEMT utilization and spending
  - 2018 Transformed Medicaid Statistical Information System (T-MSIS) data
  - goal of providing data on NEMT utilization and spending by state and other factors (e.g., destination, transportation type, basis of eligibility, dually eligible status, urban versus rural, and diagnosis)

Preliminary Findings

NEMT Utilization

- Highest utilizers of NEMT may vary across states and health plans
  - include beneficiaries using services frequently (e.g., dialysis, medications for opioid use disorder (MOUD))
- Utilization declined sharply following onset of COVID-19, but has since increased
- Prior authorization is a common utilization control but few states impose copayments or mileage limits

Modes of Transportation

- Geographic characteristics affect availability and utilization of different modes of transportation
  - public transit commonly used in urban areas (e.g., CT)
  - heavy reliance on mileage reimbursement and taxis in remote, rural areas (e.g., AZ)
- States and brokers make efforts to match mode of transportation to the beneficiary's needs or preferences, while balancing cost

NEMT Delivery Models

- Third-party broker (35 states), managed care (26 states), in-house (at least 12 states)
  - use of managed care has increased in recent years
- Each approach has advantages and disadvantages; choices influenced by state-specific goals and factors
  - e.g., TX will transition from a regional broker to managed care in 2021 to promote integration with other benefits
  - e.g., CT transitioned from a FFS broker to a capitated broker to provide more flexibility for driver performance incentives
- No consensus on delivery model most likely to lead to improved beneficiary satisfaction, efficiency, or value

Coordination across Federally Funded Transportation Services

- Over 100 federal programs fund human services transportation
  - services have historically been fragmented across programs
- Coordination can help reduce costs and improve services
  - e.g., clustering passengers to reduce number of trips and wait times, sharing resources
- Three study states cited coordination as a policy priority
  - e.g., in MA, one state office manages transportation for six agencies including MassHealth
  - other states reported lesser degrees of coordination or no coordination

Challenges to Coordination

- Beneficiary needs differ across federally assisted programs
- Programs have different rules and constraints
- Difficult to calculate Medicaid portion of a ride shared with non-Medicaid beneficiaries
  - incentivizes single-passenger rides over cheaper shared ride options
- Administrators of different programs often not engaged in coordination efforts

NEMT Program Quality and Performance

- NEMT program performance varies across states, managed care organizations (MCOs), and brokers
- Primary reasons for beneficiary complaints are late pickups and driver no-shows
  - others include unsuitable vehicles, call center wait times, customer service issues
- Performance issues caused by a wide variety of factors
  - e.g., strained provider networks, traffic and weather conditions, scheduling and dispatching issues

Performance Improvement Efforts

- Wide array of strategies for addressing performance issues
  - e.g., process improvements for scheduling and dispatching, additional training for drivers, removing drivers with repeated issues, performance incentives
- Strong contracts and oversight mechanisms are important for performance
  - some states lack capacity for effective oversight of brokers
- States with formal, sustained consumer engagement processes tend to have better-performing programs

Transportation Provider Networks

- Provider network challenges are common and more severe in rural areas
  - supply of wheelchair vans and other specialty vehicles often limited
- Strain on provider networks caused by high insurance costs, low Medicaid payment, increased competition for drivers
- States and brokers use different strategies for addressing provider network issues
  - e.g., promoting mileage reimbursement in rural areas, providing incentives, leveraging public transportation and county transit when possible

Transportation Network Companies

- TNCs like Uber and Lyft are increasingly included in NEMT provider networks
- Can help alleviate provider shortages, provide flexibility
  - may enhance consumer satisfaction and produce cost savings
- Not appropriate for all Medicaid populations
  - cannot provide level of support some beneficiaries need; may require smartphones
- In some states (e.g., AZ and TX), TNCs are not subject to the same regulations and requirements as other NEMT providers

Use of Technology

- GPS tracking technology, electronic scheduling software, and other forms of advanced technology or digitization are being used to some degree in all six study states
- Viewed as important tools for program integrity and performance
  - e.g., GPS data can document time, date, and location of pickup and drop-off
  - e.g., applications for scheduling and customer service can reduce wait times
- Increasing GPS capability among drivers is a high priority for brokers
- Barriers to wider adoption include cost, smartphone literacy, and bandwidth

Program Integrity

- Federal oversight authorities have identified NEMT as high risk for fraud and abuse
- Interviewees do not view fraud or abuse as widespread
  - instances occur relatively infrequently
- Program integrity appears to have improved in recent years
  - shift in NEMT administration from states to brokers and MCOs
  - better program integrity tools such as GPS tracking

Role of NEMT

- NEMT is important for promoting access to care, managing health conditions, and improving health outcomes
- Interviewees and others view NEMT as valuable and cost effective in the long run
- Unclear if states would limit or eliminate coverage for NEMT if the benefit is made optional
- Reducing benefit may reduce access, exacerbate racial and geographic disparities, and harm transportation systems in rural areas

Opportunities for the Federal Government

- CMS could more proactively facilitate sharing of best practices and strategies for NEMT administration
- CMS could issue guidance on use of TNCs in Medicaid (under development)
- Congress or CMS could create mechanisms to provide federal incentives to address provider shortages in rural areas
- Congress could codify NEMT requirements in statute

Next Steps

- Staff will present the findings of other project components at future meetings
  - beneficiary focus groups
  - analysis of administrative data

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