



OLR RESEARCH REPORT

January 28, 2013

2013-R-0035

MEDICAID NON-EMERGENCY TRANSPORTATION

By: Robin K. Cohen, Principal Analyst

You asked about Medicaid coverage of nonemergency transportation (NEMT) (i.e., rides to medical appointments). Specifically, you want to know (1) how Connecticut's approach to providing NEMT compares to other states and (2) whether other states compensate medical transportation providers when riders do not show up.

SUMMARY

Federal law requires state Medicaid programs to provide an assurance that NEMT will be available to transport Medicaid recipients to and from medically necessary medical appointments. In Connecticut, DSS provides this service through a transportation broker who arranges for rides when recipients call in with a request. DSS regulations generally require that NEMT be provided when needed to obtain necessary medical services covered by Medicaid. DSS, through its broker, determines the least expensive, most appropriate mode of transportation.

Connecticut is similar to several states in its provision of NEMT. It is one of several states that (1) require prior authorization for rides provided to Medicaid recipients and (2) use brokers to grant authorization and arrange for the rides. Connecticut does not require riders to make a co-payment or limit the number of rides a client can have in a month, while other states do one or both.

According to DSS officials, the department will not reimburse transportation providers when a Medicaid recipient does not show up for a DSS-approved transportation service that has not been cancelled. According to DSS, the department is aware of the higher-than-desirable no-show rates and the losses the state's providers incur because of them. It has been working with the broker and providers to isolate contributing factors and address them. In the meantime, higher NEMT rates are set to take effect on February 1. It is not clear whether these higher rates will fully offset any losses the state's providers are incurring due to no-shows.

According to the National Conference of State Legislatures (NCSL), the federal Medicaid agency will not reimburse states for any NEMT trips when the Medicaid recipient is not in the vehicle (see 42 CFR § 436.1002). The federal Centers for Medicare and Medicaid Services (CMS) adds that separate payment for no shows is not permissible because a transportation provider's revenue loss due to the no-show is considered part of the cost of doing business. However, states that use brokers to provide NEMT to their Medicaid population may be factoring such "no-shows" into the rates they pay providers. NCSL reports that North Carolina, which uses a broker, indicated that the contracts with providers tend to resolve the issue of no-shows. And Louisiana pays a minimal fee when riders fail to show up, but the brokers determine the exact amount.

STATE PROVISION OF NEMT AS OF OCTOBER 2010

In general, states must provide transportation for Medicaid recipients when it is needed to obtain necessary Medicaid-covered medical services and when the transportation is not available from volunteer organizations, other agencies, or personal resources. In Connecticut, DSS has the right to determine the type, most appropriate, and least expensive mode of transportation (Conn. Agencies Regs., § 17-134d-33).

The Kaiser Family Foundation provides state-by-state comparisons of state Medicaid programs. Its 2011 report (covering 2010) includes information on states' Medicaid NEMT programs (see Table 1).

The comparison shows that (1) seven states require a co-payment from the rider; (2) most states do not limit the number of rides a Medicaid recipient may take; (3) roughly one-half of the states, including Connecticut require prior authorization before a ride is provided; and (4) 36 states use transportation brokers.

Table 1: State-By-State Comparison of Medicaid NEMT

State	Co-Payment	Coverage Limit	Prior Authorization Required	Population Covered [1]	Use of Brokerage (as of 2009)
Alabama	None	2 trips per month	No	Categorically needy	No
Alaska	None	None	Yes	Categorically needy	Yes
Arizona *	Taxis, adults without dependent children only, \$2 per trip (\$4 roundtrip maximum)--only in Maricopa and Pima counties-Medicaid waiver	None	No	Categorically and medically needy	No
Arkansas	None	None	No	Categorically and medically needy	Yes
California	None	Limited to beneficiaries medically unable to use normal public or private transportation	Yes	Categorically and medically needy	No
Colorado	None	None	No	Categorically needy	Yes
Connecticut	None	None	Yes	Categorically and medically needy	Yes
Delaware *	None	None	No	Categorically needy	Yes
Florida	\$1 trip each way	Limited to beneficiaries unable to arrange for medically necessary transportation through any other means	Yes	Categorically and medically needy	Yes
Georgia	\$1 per trip	None	No	Categorically and medically needy	Yes
Hawaii	None	None	Yes	Categorically and medically needy	No
Idaho	None	None	Yes	Categorically needy	Yes
Illinois	None	None	Yes	Categorically and medically needy	Yes
Indiana	\$.50 to \$2 per trip, depending on payment	20 one-way trips less than 50 miles per year	No	Categorically needy	Yes

Table 1 (continued)

State	Co-Payment	Coverage Limit	Prior Authorization Required	Population Covered [1]	Use of Brokerage (as of 2009)
Iowa	None	None	No	Categorically and medically needy	No
Kansas	None	None	No	Categorically and medically needy	Yes
Kentucky	None	None	Yes	State is one of a few with a tiered Medicaid program with four different plans, depending on age and health of beneficiaries	Yes
Louisiana	None	None	Yes	Categorically and medically needy	Yes
Maine	None	None	Yes, for out-of-state transports	Categorically and medically needy	Yes
Maryland	None	None	Yes	Categorically and medically needy	Yes
Massachusetts	None	None	No	Categorically and medically needy	Yes
Michigan	None	None	No	Categorically and medically needy	Yes
Minnesota	None	None	No	Traditional categorically and medically needy; other groups may not have the same benefit package.	Yes
Mississippi	None	None	Yes	Categorically needy	Yes
Missouri	\$2 per trip	None	No	Categorically and medically needy	Yes
Montana	None	None	Yes	Traditional Medicaid and waiver population (has more limited benefit access)	Yes
Nebraska	None	None	Yes	Categorically and medically needy	No
Nevada	None	None	Yes	Categorically needy	Yes

Table 1 (continued)

State	Co-Payment	Coverage Limit	Prior Authorization Required	Population Covered [1]	Use of Brokerage (as of 2009)
New Hampshire	None	24 wheelchair van trips per year	No	Categorically and medically needy	No
New Jersey	None	None	Yes	Categorically and medically needy	Yes
New Mexico	None	Transportation to pharmacy for prescription pick-up not covered	No	Categorically needy	Yes
New York	None	None	Yes	Categorically and medically needy	Yes
North Carolina	None	None	No	Categorically and medically needy	Yes
North Dakota	None	None	No	Categorically and medically needy	No
Ohio	None	None	No	Categorically needy	No
Oklahoma	None	None	No	Categorically needy	Yes
Oregon	None	Limited rides for covered services	Yes	Traditional Medicaid groups (e.g., medically needy, pregnant women, and children)	Yes
Pennsylvania	\$.50 to \$3 per ride, depending on payment	None	No	Categorically and medically needy	Yes
Rhode Island	None	None	Yes	State has large Medicaid waiver covering a variety of groups	Yes
South Carolina	None	None	No	Categorically needy	Yes
South Dakota	None	None	No	Categorically needy	No
Tennessee	None	None	No	State has large Medicaid waiver	Yes
Texas	None	None	Yes, for specified services	Categorically and medically needy	No

Table 1 (continued)

State	Co-Payment	Coverage Limit	Prior Authorization Required	Population Covered [1]	Use of Brokerage (as of 2009)
Utah	None	None	No	Waiver seems to provide to traditional Medicaid groups, primarily children	Yes
Vermont	None	None	Yes	State has Medicaid waiver, traditional Medicaid groups eligible for NEMT	Yes
Virginia	None	None	Yes	Categorically and medically needy	Yes
Washington	None	None	Yes	Categorically and medically needy	Yes
West Virginia	None	None	Yes	State-redesigned Medicaid program under federal Deficit Reduction Act of 2005	Unknown
Wisconsin	\$1 per trip in specialized vehicles	None	Yes, for any trips exceeding four weeks	Categorically and medically needy	No
Wyoming	None	None	Yes	Categorically needy	Yes

[1] States that serve categorically needy only have more limited Medicaid programs, essentially serving only those groups that federal law requires them to serve, i.e., individuals who receive federally assisted income maintenance payments (e.g., SSI).

*Since this report was written, Arizona, through its existing Medicaid waiver, instituted co-pays for taxi rides in two counties. An update by Kaiser's Commission on Medicaid and the Uninsured reports that Delaware eliminated its co-payment on July 1, 2010.

Sources: Kaiser Family Foundation (2010); The George Washington University School of Public Health and Health Services, *Medicaid's Medical Transportation Assurance: Origins, Evolution, Current Trends, and Implications for Health Reform*, (July 2009)

COMPENSATION FOR NO-SHOWS

Although DSS regulations state that payment is available to livery companies for Medicaid recipients who fail to show up for approved rides to medical appointments (Conn. Agency Regs. § 17-134d-33 (D)), DSS reports that the regulations are obsolete. DSS officials stated that the department will not reimburse providers for such no-shows.

We could not find any provision in federal law explicitly barring Medicaid payment for NEMT no-shows. In general, Medicaid will pay only for rides in which a Medicaid patient is transported to a medical appointment. However, because many states are using transportation brokers, the opportunity to reimburse providers for no-shows may be easier for states to consider.

According to NCSL, in North Carolina, counties have contracts with NEMT providers. NCSL reports an official as saying that the contracts “tend to resolve such matters,” with the counties in some instances agreeing to compensate the provider when a beneficiary does not show up for a ride. Sometimes these costs are built into the contracts. NCSL also reports that Louisiana brokers pay providers a fee of about \$10 for no-shows.

ADDITIONAL INFORMATION

OLR Report [2011-R-0381](#), *Medicaid Coverage for Urgent Care and Transportation*

RC: car