



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

CHRISTINE TODD WHITMAN
Governor

WILLIAM WALDMAN
Commissioner

MEDICAID COMMUNICATION NO: 97-22

DATE: December 19, 1997

TO: County Welfare Agency Directors

SUBJECT: Medical Transportation Guidelines

The enclosed Medical Transportation Guidelines, dated 1/98, reflect Medicaid's revised policies concerning lower-mode, non-emergency transportation (NET) services as arranged and/or provided by county welfare agencies/boards of social services. Please discard the Medical Transportation Guidelines dated 1/91, forwarded via Medicaid Communication No. 91-8 dated February 27, 1991.

BACKGROUND: The issuance of revised Medical Transportation Guidelines has been a topic of discussion during several quarterly meetings with county transportation coordinators, beginning in 1996.

With assistance and guidance from the Division of Medical Assistance and Health Services (DMAHS), a committee of volunteers from Bergen, Camden, Mercer, and Ocean Counties drafted revisions to the Medical Transportation Guidelines dated 1/91. In addition to DMAHS staff, committee members included Sheila Schnoll (Bergen County), Andrea Rauer (Camden County), Mike Dobinson (Mercer County), and Carl LaGrotteria (Ocean County).

A draft dated 10/14/97, was forwarded to the counties for review and comment via letter dated October 20, 1997. All comments received by DMAHS were reviewed and, where applicable, resulted in revisions to the draft.

- Medical Transportation Guidelines (21) were first forwarded via DYFS Social Services Informational Transmittal Letter No. 79-3-1 dated March 5, 1979.
- Medicaid Communication No. 91-8 dated February 27, 1991, provided new (1/91) Medical Transportation Guidelines.

Questions regarding this communication should be referred to the Medicaid District Office serving your area or to Peter K. Rosswaag of my staff at (609) 588-2629.

Sincerely,

Karen I. Squarrell
Acting Director

KIS/PKR
Enclosure

c: Karen Highsmith, Director
Division of Family Development

Michele Guhl, Deputy Commissioner
Division of Youth and Family Services

Medical Transportation Guidelines

INTRODUCTION

These guidelines set forth the general principles and procedures for county welfare agencies/boards of social services (CWAs) to follow when arranging and/or providing non-emergency transportation (NET) services to enable Medicaid beneficiaries to obtain Medicaid-covered services.

BACKGROUND

The New Jersey Medicaid program, via an Inter-Agency Agreement of Cooperation in place since 1977, reimburses CWAs for arranging and/or providing lower-mode, NET services to enable Medicaid beneficiaries to obtain Medicaid-covered services.

MANDATE

Federal regulation 42 CFR 431.53 requires all States that receive Federal Medicaid funds to assure transportation for Medicaid beneficiaries to and from medical appointments.

GENERAL CONCEPTS

- Transportation service provided to a Medicaid beneficiary is reimbursable by Medicaid (Title XIX) only when the medical service received by the beneficiary is a Medicaid-covered service, as listed in N.J.A.C. 10:49-5, at the time the transportation service is provided.
- Medicaid is the payer of last resort. Accordingly, free transportation (volunteers, friends, family, nonprofit agencies, etc.) should be used, if available, before reimbursable services are authorized.
- If free transportation is not available, the least expensive mode of transportation available that is appropriate to the beneficiary's needs should be used.
- The concepts of efficiency, economy, and quality of care should be considered when arranging and/or providing necessary transportation services.
- Reimbursement for NET services is limited to the nearest institution or practitioner that has appropriate facilities for the care of the beneficiary. Accordingly, trip costs for services outside the community are reimbursable only if the services are not available within the community. (See "DESTINATIONS")

MODES OF SERVICE

- Essex and Hudson Counties:

Curb-to-curb van service, via State contracts with livery vendors, for ambulatory individuals who do not need assistance or supervision en route.

- 19 remaining counties:

1. Public conveyances such as taxi, train, bus, paratransit, and plane.

(See Medicaid Communication No: 97-8 dated May 1, 1997, for information concerning bus tickets/passes or other discount fixed-route modes.)

2. Mileage reimbursement.
3. Competitive bid arrangements, inter-governmental agreements, contracted services, etc., which may include the use of an escort/attendant, if necessary.
4. County-owned and operated vehicles.

COORDINATION OF SERVICE

1. Attempts should be made by CWAs to coordinate services with other agencies for the purpose of reducing duplication, enhancing access and service quality, and increasing cost effectiveness. For example, a CWA should actively participate in the county's transportation coordination planning process.
2. Greater efficiencies can result from the increased use of public transit and other programs that provide transportation, including, but not limited to, County Paratransit Programs serving seniors and those with disabilities, Offices On Aging, Head Start programs, and Community Action Agencies.
3. Concerted efforts should be made to coordinate the transportation services of Medicaid beneficiaries and Work First New Jersey participants.

ASSESSMENTS

1. A beneficiary's transportation needs may be assessed using information provided by the beneficiary and other corroborating information which may be available. Social, medical, and other extraordinary circumstances which may impact upon the provision of transportation may also be considered.

2. Other variables which may be considered are weather, child care needs, walking distance to public transportation, ability to pay at time of service, need for an escort/attendant, and the reliability of a beneficiary's personal vehicle.

AUTHORIZATION

1. Authorization from the appropriate CWA must be obtained by the beneficiary or provider before transportation services are arranged and/or provided.
2. Post-service authorization may be granted at the discretion of the CWA in special situations.
3. Authorization from the appropriate Medicaid District Office (MDO) must be received by the CWA before transportation services are rendered to distant, out-of-State destinations, as well as any unusual, non-routine destinations. (See "DESTINATIONS")
4. It is important that lines of communication be established between the CWA and the appropriate MDO, Health Maintenance Organizations (HMOs), and other CWAs. Medicaid beneficiaries who are able to utilize the modes of service arranged and/or provided by the CWA should be referred to the CWA by the MDO and/or the HMO. Likewise, Medicaid beneficiaries who are unable to utilize the modes of service arranged and/or provided by the CWA should be referred to the appropriate MDO and/or HMO.
5. NET service for a beneficiary who is temporarily residing in a county other than his or her county of permanent residence should be arranged and/or provided by the county in which the beneficiary is residing at the time the need for transportation occurs. Any reimbursements to the provider and/or beneficiary are the responsibility of the county of permanent residence, with assistance from the county of temporary residence.

SERVICE DELIVERY

1. Attempts should be made by CWAs to arrange, provide, or reimburse for same-day transportation service to accommodate a beneficiary's medical needs in urgent-care situations. For example, a designated CWA-contracted provider(s), volunteer driver(s), and county staff, etc. may be used on an on-call basis for this purpose.

DESTINATIONS

1. A destination is appropriate (see "GENERAL CONCEPTS") if a beneficiary receives a Medicaid-covered service from a provider who may or may not be enrolled in the Medicaid program. A trip is considered to be inappropriate if (a) transportation is included in the provider's Medicaid per-diem rate or (b) the service received by the beneficiary is not Medicaid covered.
2. Community (see "GENERAL CONCEPTS") may be defined by the CWA as a point of destination that is either (a) in-county, within close proximity to the point of departure or (b) out-of-county/out-of-State, within close proximity to the point of departure.

It is recognized that beneficiaries may have a need for NET services to/from a distant provider under certain conditions. For example, when a beneficiary relocates, issues such as continuity of care, specialized services, and lack of network providers may necessitate the utilization of medical services outside the community.

NET services to/from a distant provider may be arranged and/or provided on a temporary basis while the CWA collaborates with the beneficiary, medical provider, HMO, and MDO as needed, in an attempt to locate a suitable provider within the community.

3. With respect to Model Waiver programs, a beneficiary's NET service needs should be accommodated by CWAs in cooperation with the case manager, who retains responsibility for tracking allowable program expenditures.

REIMBURSEMENT

1. Reimbursement rates may be established in a variety of ways, including but not limited to, a bid-contract basis, a per-trip or per-person basis, a unit-cost basis, a vehicle-hour basis, or a vehicle-mile basis.
2. Mileage: Reimbursement for mileage is limited to the number of miles accrued while the beneficiary is actually in transit. Mileage reimbursement may be based on calculations of (a) actual odometer readings or (b) the distance between two points on a map (point to point).

The allowable rate for mileage that may be paid to a beneficiary for the use of his or her personal vehicle may not exceed the rate, currently \$.25 per mile, set by the State.

3. Waiting Time: Reimbursement for waiting time is allowable under conditions set forth by the respective CWA.

4. "Other related travel expenses" (42 CFR 440.170) are allowable when determined to be necessary "to secure medical examinations and treatment for a beneficiary". Related travel expenses may include (a) the cost of meals and lodging for the beneficiary en route to and from medical care and while receiving medical care, and (b) if necessary, the cost of an attendant to accompany the beneficiary.

NOTE: The cost of an escort/attendant may be less expensive than the cost of a higher mode of service reimbursed by the Medicaid program on a fee-for-service basis.

5. Reimbursement for "no shows" is not allowable. The beneficiary must be informed that cancellations must be made known to the CWA or the provider in advance of the scheduled service.
6. With authorization from the respective CWA, a beneficiary who chooses to arrange his or her own transportation may be reimbursed at a rate not to exceed the contract rates or lowest public rates for similar transportation available within the county.

BENEFICIARY RELATIONS

Responsibilities of a CWA:

1. Sufficient outreach mechanisms should be established to ensure that all Medicaid beneficiaries are informed of the availability of medical transportation services.
2. Beneficiaries should be notified of their right to appeal an adverse decision by contacting the Division of Medical Assistance and Health Services (DMAHS) to request a fair hearing.
3. CWAs are encouraged to develop cost-avoidance measures to enhance both the cost effectiveness of their programs and the overall efficiency in service to beneficiaries.

Examples include, but are not limited to, no smoking policies, time limitations on waiting time, time limits on pickups and drop-offs of beneficiaries, and other procedures that identify and resolve chronic behavior problems.

Responsibilities of a Beneficiary:

1. Beneficiaries are expected to cooperate by providing documentation and information required to assess their transportation needs.

2. Beneficiaries are expected to act responsibly in the utilization of their transportation services.
3. Beneficiaries are expected to provide advance notification to the CWA or the provider when a scheduled transportation service will not be used.

Limitations/Restrictions:

- Inappropriate/disruptive behavior that jeopardizes the safety of the beneficiary, the driver, or another passenger, chronic no shows, failure to follow the CWA's or the provider's policies, or misrepresentation of transportation needs, shall give good cause for the CWA to discontinue the service. Instead, the CWA may offer reimbursement to the beneficiary at the CWA-established rate for transportation secured, and properly documented, by the beneficiary.

DOCUMENTATION

1. A written description of each CWA's NET service delivery system must be made available to DMAHS upon request. DMAHS, and the appropriate MDO, should be notified whenever substantive changes are made.
2. For fiscal reporting purposes, NET services may be claimed as either (a) administrative services, such as county owned and staffed vehicles, or (b) purchased services, such as vendor contracts, public conveyances, and private vehicles.
3. At a minimum, the following information must be on record at the CWA: beneficiary's name, address, HSP (Medicaid) Case Number, date of birth, date of service, mode of service, place of origin and destination, mileage, reason for transportation, and fee.
4. An audit trail must be established to document that expenditures have been properly incurred, recorded, and reported.
5. Overpayments due to agency error or beneficiary oversight should be documented in the case record. Repayment may be accomplished by direct reimbursement to the administrative account or by deductions to subsequent payments due the beneficiary. A beneficiary's transportation services, however, may not be withheld or reduced pending reimbursement of the overpayment.

FRAUD AND ABUSE

1. A referral to the County Prosecutor should be considered in cases of suspected fraud or abuse by either a beneficiary or a provider. DMAHS must be notified immediately, regardless of whether or not the case is referred to the County Prosecutor.
2. A CWA should take steps to convey the following information to providers:
 - The Division of Medical Assistance and Health Services reviews and evaluates the care and services provided to Medicaid beneficiaries to ensure compliance with the provisions of Federal and State law as indicated at N.J.A.C. 10:49-13.1. Post-payment reviews, satisfaction surveys, and spot checks of vehicles and service delivery are conducted on a regular basis.
 - The Division of Medical Assistance and Health Services will seek recovery of incorrectly paid claims, including interest and other penalties, and will immediately move for the provider's suspension from any participation in the Medicaid program if fraud and/or abuse are confirmed. Criminal prosecution and other civil and administrative sanctions will also be pursued if fraudulent activity is confirmed.
3. A CWA should take steps to convey the following information to beneficiaries:
 - Only transportation to a Medicaid-covered (medical) service is allowable.
 - A Medicaid beneficiary may be asked to sign a form each time a ride is received, certifying that transportation service was used to obtain a Medicaid-covered (medical) service.
 - A Medicaid beneficiary must actually enter the office/facility of the treating provider at the point of destination and receive a Medicaid-covered (medical) service.
 - The use of Medicaid-funded transportation for any other purpose is fraudulent activity subject to criminal prosecution and civil and administrative sanctions.