



Medicaid & Transit

Federal Rules & Guidance

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ADA Paratransit & Medicaid Trips



May transit agencies charge more for Medicaid paratransit trips?

A. Yes, they may negotiate a rate above that charged for ADA or the general public paratransit.

- ▶ The ADA rule specifies that transit agencies may negotiate Medicaid trip rates with Medicaid brokers or agencies. They are not constrained to agency ADA paratransit fees or general public paratransit costs, if they are guaranteed trips.

▶ ADA Rule [49CFR37.131(c)(4)]

“(4) The entity may charge a fare higher than otherwise permitted by this paragraph to a social service agency or other organization for agency trips (i.e., trips guaranteed to the organization).”

Medicaid Brokerage Rule

- ▶ Medicaid brokers must competitively procure services.
- ▶ The Medicaid brokerage also permits public transit brokerages to charge rate above the transit fares for paratransit services.
- ▶ *CMS Brokerage Rule*
[42 CFR Part 440.170(a)(4)(ii)(B)(4)(iii)]
- ▶ *(iii) The broker documents that the Medicaid program is paying no more for fixed route public transportation than the rate charged to the general public and no more for public paratransit services than the rate charged to other State human services agencies for comparable services.*

Medicaid Benchmark Rule

- ▶ Benefit Package Benchmarking” rule is an option available to the states for using a more flexible approach to providing Medicaid-funded benefits to certain populations. States' benchmark plans don't have to meet certain of the statutory criteria normally associated with Medicaid, including statewideness, comparability, and freedom of choice. However, states cannot use benchmark programs to exclude categorically eligible populations from receiving medical assistance.
- ▶ “CMS-2232-F4 228 §440.390 Assurance of Transportation. If a benchmark or benchmark-equivalent plans does not include transportation to and from medically necessary covered Medicaid services, the State must nevertheless assure that emergency and non-emergency transportation is covered for beneficiaries enrolled in the benchmark or benchmark-equivalent plan, as required under §431.53 of this chapter.”

Affordable Health Care Law

- ▶ HHS Secretary Sebelius Letter to Governors—Feb 2011
- ▶ Letter details law's flexibility and cost saving measures.
- ▶ List transportation to medical care as a mandated service.

Medicaid Challenges

- ▶ Varying state approaches
- ▶ Siloed state brokerages
- ▶ Consideration of transit system viability