

# NJ Statewide Medicaid Brokerage: Increasing Community Transit Revenue through Improved Coordination

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# Evolution of NJ Medicaid Broker

- Spring 2009- NJDHS awards capitated broker contract to Logisticare
- Spring 2010- Logisticare begins transition of ambulatory services brokering from county BSS
- October 1, 2010- Logisticare begins first provider contract with county operator
- January 2011- Logisticare completes transition of 21 county Medicaid services



# Impact of County Contracts

- Create win-win of new revenue for counties, lower cost for broker
- Take advantage of empty seats on County provider non-Medicaid vehicle runs
- Focus on subscription runs (mental health, dialysis, etc)



# Highly Regulated Provider Addendum

- Accept training and background checks for county providers required by FTA grantors
- Examples- accept PASS training, 5 panel drug test
- Eliminate liquidated damages except in most egregious cases



# County Provider Experience

- Currently five of 21 NJ county coordinated systems under contract with Logisticare
- Counties range from rural to urban
- Counties negotiate individual per trip rates based on costs, livery market rates
- Counties focused on adding Medicaid trips to existing vehicle runs



# County Provider Characteristics

	Hudson	Middlesex	Sussex	Union
Density/Sq Mile	10,962	2360	269	4966
Population	666,980	819,730	161,920	543,390
Annual Ridership	103,591	521,254	71,977	244,255
Cost/Trip	\$26.75	\$8.55	\$32.36	\$15.46

# County Provider Cost/Revenue

	Hudson	Middlesex	Sussex	Union
Medicaid Trip Rate	\$10.00	\$7.50	\$18.00	\$10.00
Avg. Mo Revenue	\$5250	\$2529	\$7000	\$3492
Added Cost	\$0.00	\$0.00	\$0.00	\$0.00
Start Date	4/11	10/10	1/11	12/10

# April 2011 Revenue

- Hudson County: **\$5250.00**
- Middlesex County: **\$6300.00**
- Sussex County: **\$7434.00**
- Union County: **\$6230.00**





# Findings

- County reimbursement rates lower than livery base rate plus mileage
- County operating costs are higher so need to avoid single occupant trips
- Logisiticare customers benefit from consistency of subscription runs
- County providers have obtained new revenue without adding costs

