Strategies to Improve Access to Healthcare and Lower the Cost of NEMT

Speakers:

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Strategies to Improve Access to Healthcare and Lower the Cost of Non-Emergency Medical Transportation (NEMT)

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Gail Bauhs, TripSpark Medical

Transit Cooperative Research Program (TCRP) Research Report 202

Examining the Effects of Separate NEMT Brokerages on Transportation Coordination

- TCRP Research Report 202 Volume 1: Handbook
  - To understand Medicaid **NEMT brokerages and the effects on coordination** with other human services transportation and public transportation
- TCRP Research Report 202 Volume 2: Profiles
  - Profiles of NEMT in each of the 50 states and the District of Columbia.

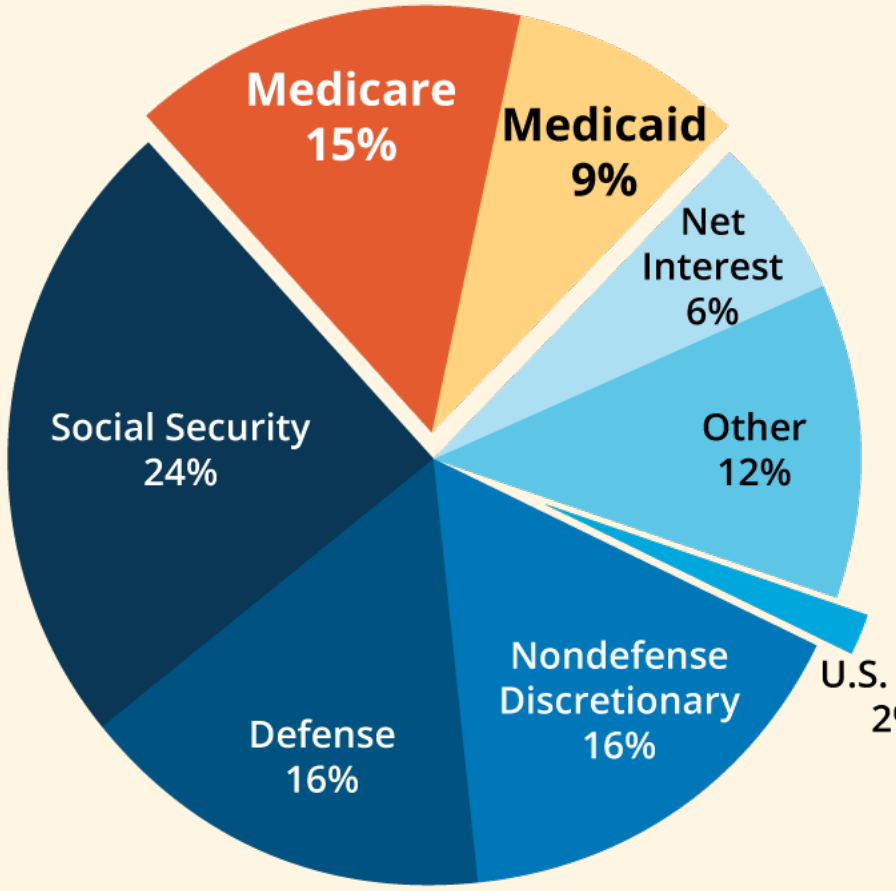
http://www.trb.org/Publications/Blurbs/177842.aspx

Important to Know about Medicaid NEMT

- Medicaid is a **joint federal and state program** that provides health coverage for individuals and families with limited incomes and resources
- **Assurance of transportation** to necessary medical care is an important feature that sets Medicaid apart from traditional health insurance
- NEMT benefits Medicaid beneficiaries who **need to go to and from pre-approved medical services and have no other means of transportation**

Federal Outlays

- Medicaid represented **9 percent of all federal outlays in fiscal year 2015**, approximately $334 billion
  - NEMT is about 1% of Medicaid
- U.S. Department of Transportation represented **2 percent of federal outlays in 2015**, approximately $74 billion
  - Federal Transit Administration is about 18% of the U.S. DOT



Total Federal Outlays, 2015: $3.7 trillion
Net Federal Medicare Outlays, 2015: $540 billion
Net Federal Medicaid Outlays, 2015: $334 billion
Federal Appropriations for U.S. DOT, 2015: $74 billion

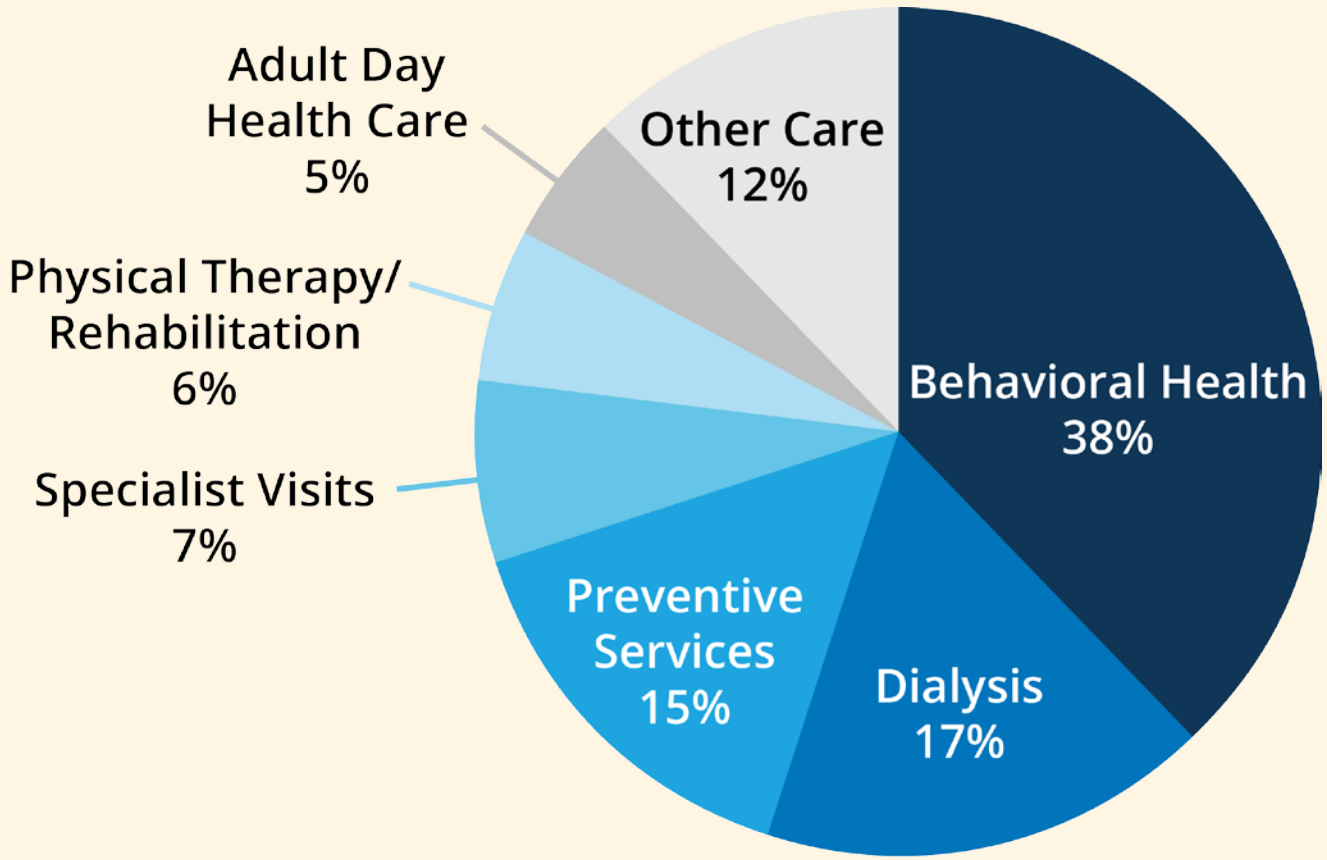
Context for NEMT

- NEMT is **jointly funded by federal and state** governments
  - Medicaid federal expenses for NEMT are about $3 billion annually. The federal investment covers about 60% of the cost of providing NEMT
  - States invest an additional $2 billion annually, 40% of the cost of NEMT
- Federal guidance provided by Department of Health and Human Services, **Centers for Medicare and Medicaid Services (CMS)**
- **State Medicaid agencies are required to assure NEMT** for approved Medicaid services
- Each state administers its own Medicaid program within federal guidance; **NEMT is different in every state**

Requirements for NEMT to be Medicaid Covered

- The **client and the medical service are eligible** for Medicaid
- The **client has no other means** of getting to and from the medical service
- The NEMT trip is to the **nearest qualified medical provider**
- The NEMT trip is **authorized in advance** as required
- The NEMT trip should be the **lowest cost** available transportation mode that is appropriate for the client

Health Care Reasons for Using Medicaid NEMT



Models for Providing NEMT

- **In-house management** by the state Medicaid agency
  - NEMT usually based on a fee for service (FFS)
- **Managed care organizations** (MCOs)
  - NEMT carved in
- **Brokers** qualify and authorize Medicaid clients for NEMT and then contract with transportation providers to perform the NEMT service. Brokers may be for profit, not for profit, or public
  - Statewide broker
  - Regional brokers
  - MCO brokers
- Some States use **Mixed** models

National Trends for Providing NEMT

Trends by State Medicaid Agencies

- Increase in MCOs with carved-in NEMT
- Increase in statewide or regional brokerages
- Increased use of capitated payments

Objectives

- Lessen state Medicaid agency NEMT administration
- Reduce fraud and abuse
- Attain cost certainty and perhaps cost savings

Benefits of Coordinating NEMT with Public Transportation

- **Expand access** to transportation and community services; improve community-wide mobility to improve health outcomes
- **Improve service efficiency** for NEMT
- **Benefit from lower-cost**, fixed-route public transportation in urban areas
- **Take advantage of scarce resources** in rural areas through shared-ride, demand response transit
- **Leverage** public transportation expertise and resources, vehicles
- Provide **local match** for FTA funding programs
- Federal transportation authorization bills **require coordination**

*The TCRP Research Report 202 outlines **14 strategies** to achieve common desired outcomes from different stakeholder perspectives with highlights from case studies.*

Common Desired Outcomes

3 Strategies

Improve Health

3 Strategies

Service Quality

2 Strategies

Maximize Resources

6 Strategies

Strategies Toward Coordination

Common Desired Outcomes

1. Align goals and objectives to achieve common desired outcomes
2. Include NEMT stakeholders when preparing or updating a coordinated transportation plan
3. Adopt common geographic boundaries for

Improve Health

4. Measure transportation's contribution to better health outcomes
5. Coordinate NEMT & public transit to meet Medicaid beneficiary needs
6. Demonstrate value of innovation (e.g. TNC) for NEMT medical appointments

Service Quality

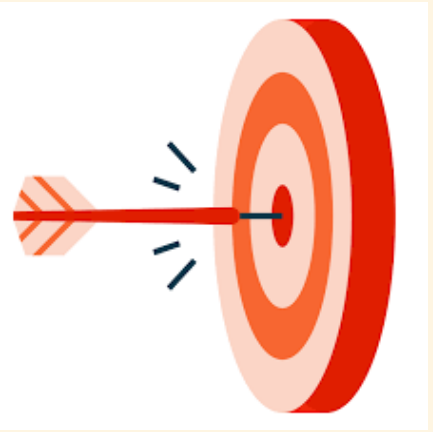
7. Use technology to enhance NEMT administration and trip verification
8. Identify key data and establish NEMT data collection and reporting procedures

Maximize Resources

9. Use fixed-route transit for appropriate NEMT trips
10. Coordinate NEMT with transit to reduce costs
11. Implement cost allocation methodologies to reduce NEMT trip costs
12. Create Medicaid-Consistent NEMT Trip Rates for ADA Paratransit
13. Negotiate to recover the direct costs of providing NEMT services
14. Adopt procedures and timelines for invoicing and payments for NEMT

Align goals and objectives

- ***Common Desired Outcomes Identified by Stakeholders - Research***
  - Improve Health
  - Better Quality of Service
  - Maximize Services Delivered within Available Resources
- ***Similar to Medicaid's Triple Aim - CMS***
  - Improving the health of populations
  - Improving the patient experience of care
  - Reducing the per capita cost of health care
- ***How can improved coordination help meet the growing need for NEMT within the constraints of limited financial resources***
  - Medicaid focus - get beneficiaries to/from medical services with the most appropriate mode of transport at the lowest cost, while avoiding fraud and abuse
  - Public transit focus - get riders to/from a variety of destinations using shared rides



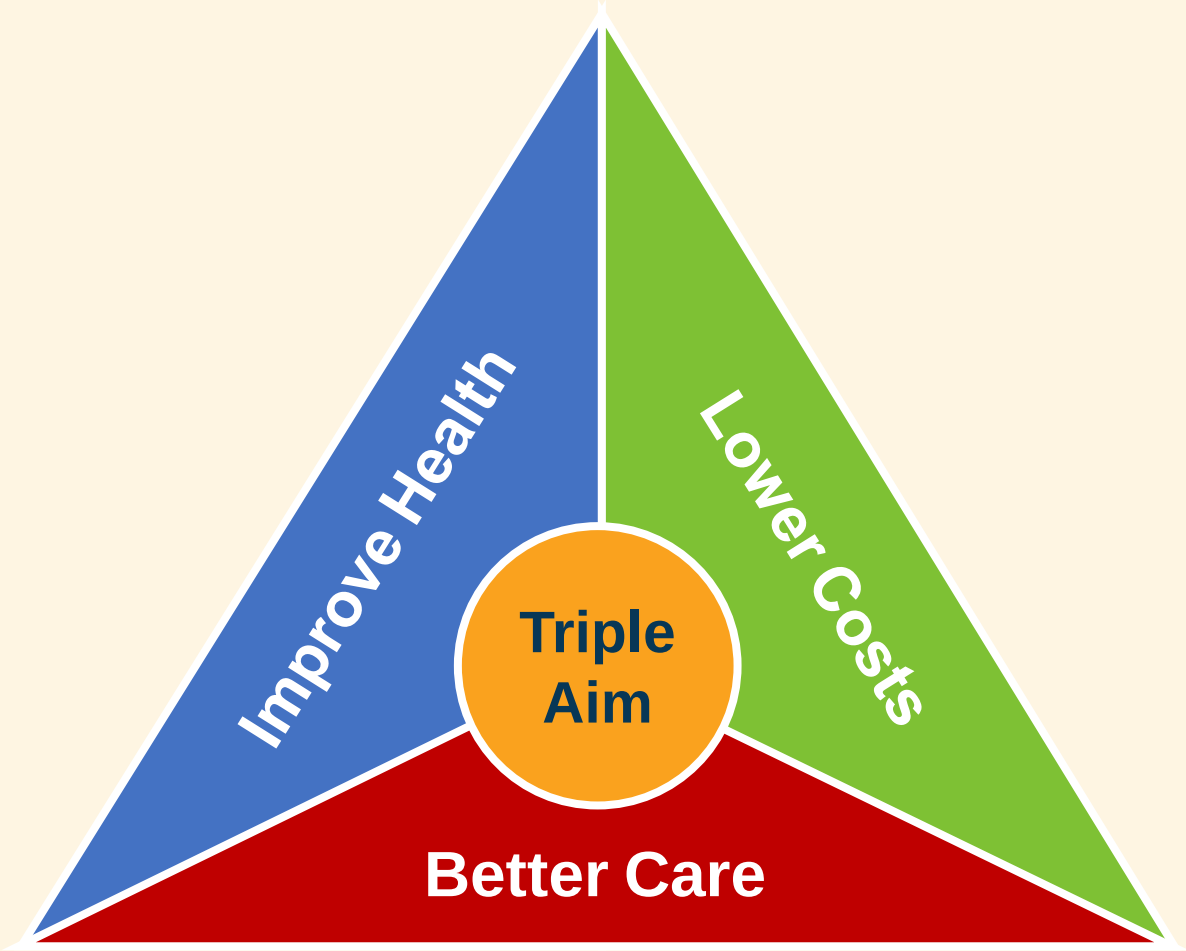
Common Desired Outcomes

Improved Health

Better Quality of Service

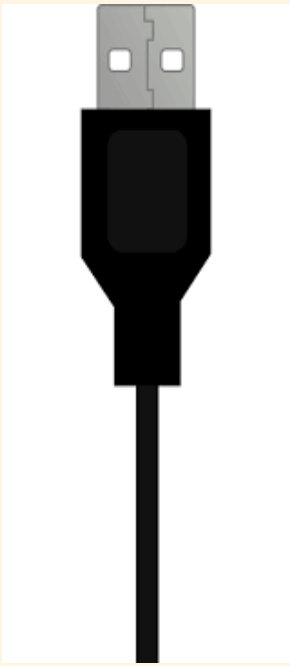
Maximize Services Delivered within Available Resources

Triple Aim for Medicaid Healthcare



Use Technology to Make NEMT More Efficient and Reduce the Risk of Fraud and Abuse

Available technology can enhance NEMT program administration:



- Verify client eligibility and trip approved purpose
- Assign the trip to a transportation provider qualified to offer the appropriate service at the lowest cost
- Document the date, time, and location for each NEMT encounter
- Track and report transportation performance metrics
- Provide real-time transportation information to riders
- Connect transportation and health care datasets to measure health outcomes

Use Fixed-Route Transit for NEMT

- CMS NEMT rules state that a Medicaid agency or broker can
  - **Pay no more for fixed route public transit than the rate charged to the general public**
- Little to no capacity or financial impact for transit
- Important option for NEMT, especially in urban areas
- Reduces overall average NEMT cost/trip

Create Medicaid-Allowable NEMT Trip Rates for Use of ADA Paratransit

- CMS rules state that a Medicaid agency or broker can
  - **Pay more than the public transit fare for an NEMT trip using ADA paratransit**
  - But **no more than the rate charged to other human services agencies** for similar trips
- Negotiate Rates
  - Understand how NEMT and transit are funded
  - Be sensitive to financial risk of transit and NEMT
  - Middle ground is good enough – Marginal vs fully allocated costs
  - Revenue critical for small and rural agencies – Matching funds

Lessons Learned

- Embrace an ***Attitude of community first***
- Assume a ***workable solution is Achievable***
- Expect any ***hurdles will be Scaled***
- Accept that ***willingness to coordinate is Cyclical*** so keep trying
- ***Find a Champion*** in each industry

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TCRP Research Report 203

Dialysis Transportation:

The Intersection of Transportation and Healthcare

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Impetus for Research Project - Why?

Responds to Major Concerns of Subsidized Ride Providers:

- Rising demand and cost to provide dialysis trips and
- Experience showing dialysis trips require service more specialized than public transportation is designed to provide.

TCRP Research Report 203 Pre-Publication Draft—
Subject to Revision

Dialysis Transportation

Intersection of Transportation and Healthcare

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Objectives of Research Project

The RFP's two objectives:

1. Quantify the current and projected demand and costs associated with transportation for kidney dialysis in the United States.

2. Identify current and effective practices and new strategies for funding and providing transportation to dialysis treatments.

Context for Research Project: Kidney Disease

Chronic Kidney Disease (CKD) – A crisis for medical care and public policy.

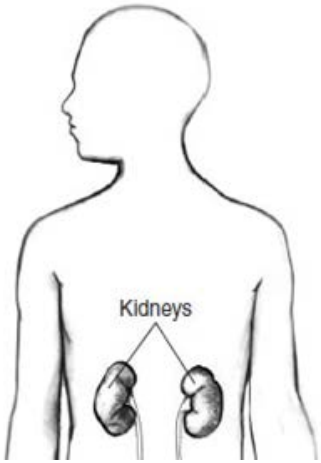
- 30 million people (15% of U.S. adults) have CKD.
- Sometimes called a "silent killer."

Five stages of CKD.

- Last stage – End Stage Renal Disease (ESRD)
- Kidneys no longer work well enough for person to survive without treatment.

Causes of ESRD:

- Diabetes is most common.

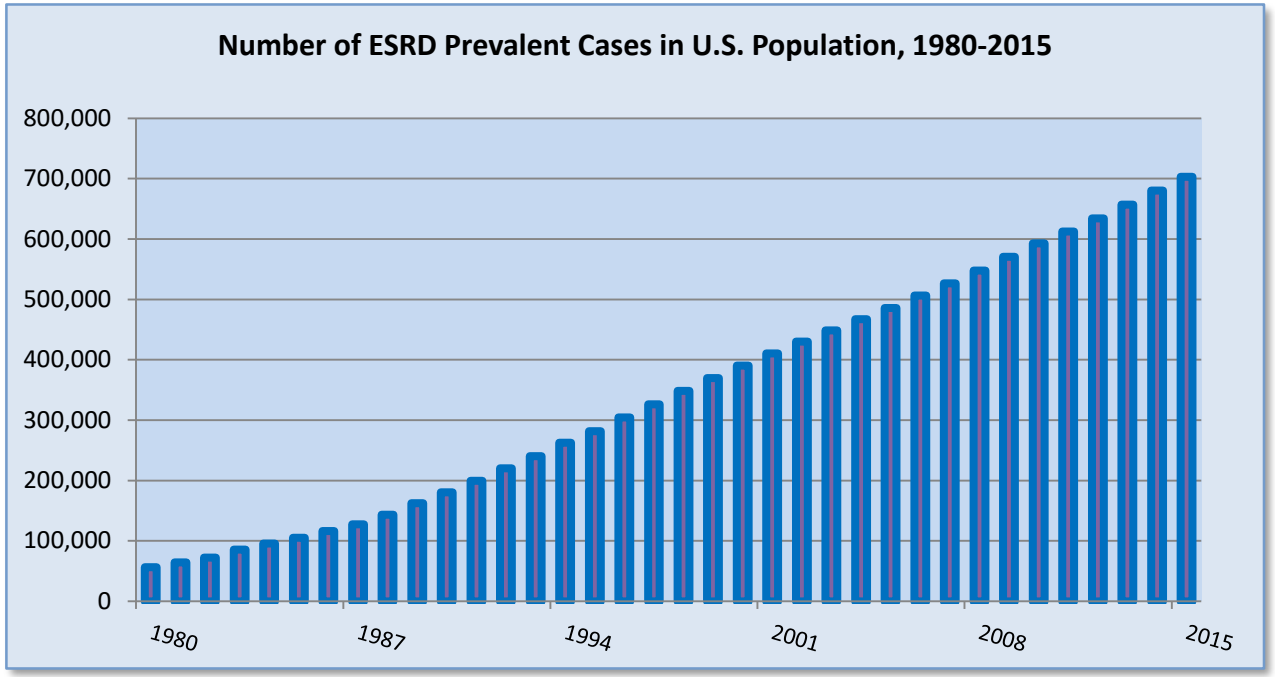


Why do we need kidneys? The kidneys process 120-150 quarts of blood each day, sifting out about one to two quarts of waste products and extra water. Kidneys are critical because they keep the composition of the blood stable, which lets the body function.

Context for Research Project: Kidney Disease (con't)

How many people have ESRD?

- More than 700,000.
- From 2000 to 2015, 80% increase in patients with ESRD.



Treatment Options

What are the treatment options for ESRD?

- Kidney transplant, dialysis, palliative care.
- 70% patients with ESRD are treated with dialysis.

Dialysis

- Performs kidneys' function, filtering blood and removing waste, salt and extra water and helping to control blood pressure.

Two Types of Dialysis

- Hemodialysis (HD)
  - Most common type of dialysis
  - Done in a dialysis facility (most commonly) or at home
- Peritoneal dialysis (PD)
  - Dominant type of home dialysis

Transportation Implications

- One patient receiving in-facility dialysis:

  3 times per week treatment = 6 one-way trips/week
  = 312 trips/year

- 445,000 patients receiving in-facility dialysis:

  Estimated 139 million one-way trips/annually
  (upper bound estimate)

- Half of patients rely on public sector transportation
  = Almost 70 million one-way trips/annually

How Big is the Problem on National Level?

Trips to Dialysis Centers (end of 2015)

- 445,000 patients travel to centers for dialysis
- 139 million one way trips annually
- 70 million one-way trips annually by public sector

Cost of Public Sector Trips

- Cost per patient annually - $8,900 in 2016 dollars
- $2 billion annually to meet all public sector demand

What Are the Issues?

Subsidized ride providers report problems:

- Rising demand and cost for dialysis trips; impacts ability to serve other trips.
- Scheduling is a problem, especially for return trips.
- Dialysis facilities do not coordinate with transit agencies for patient scheduling.
- Dialysis patients often need care more specialized than what a public transit driver can or is required to provide.

"Special care is needed with patients on the return trip due to frail status and bleeding. The…needs of these passengers go beyond what a public transit driver can provide."

What Are the Issues? (con't)

Social workers report problems:

- Patients have long waits for trip home after treatment.
- Medicaid transportation is unreliable.
- Public transit agencies' services are inadequate: ADA paratransit cannot prioritize dialysis trips; days and hours are limited; service area is limited.
- Transportation problems result in shortened treatment, with negative health impacts for patients.
- Patients have difficulty paying for transportation if not subsidized by insurance, which usually is Medicare.

"In our state, Medicaid transportation was transferred to a for-profit provider _____, and since then transportation problems increased. Our ADA paratransit used to prioritize our dialysis patients [but no longer] and now everybody gets the same bad service."

From the Medical Literature

- Patients who rely on subsidized ride providers miss more dialysis treatments compared to patients with their own private transportation (drive themselves or rides from family/friends).
- Transportation is a factor in missed and shortened dialysis treatment.
  - Associated with increasing hospitalization that contributes to rising cost for healthcare
  - Patients who miss treatment are at increased risk for hospitalization or even death.
- Long travel times for dialysis are associated with greater risk of death.

The Data Tool

One of the objectives of the Research Project: *Estimate current and projected demand and costs for dialysis transportation.*

- Microsoft Access – Two Screens
- Inputs
  - USRDS data on ESRD by County, HSA (824 and ESRD Network (18)
  - Project's survey of public transportation agencies—default value of cost/trip
  - Research on percent of patients using public sector modes
- Outputs – Current and Projected
  - Patients traveling to dialysis centers
  - Trips needed from public sector
  - Cost for public sector trips (unconstrained)
  - Potential decreases in demand/cost if increase in home dialysis - "what if" scenarios

Are There Solutions?

Practices and strategies of transit agencies:

- Policies - Use fare policy to encourage trips to closest dialysis center
- Education - ADA Paratransit 101 training
- Operational Strategies – Work with taxi and other non-dedicated providers
- Coordination with Dialysis Facilities – Coordinate scheduling of patient days and shifts
- Funding – Partner with hospitals concerning referrals to dialysis center





Are There Solutions? (con't)

Healthcare initiatives:

- CMS pilots initiated through the ACA
  - Accountable Care Organizations, e.g., Comprehensive ESRD Care Model
- Increasing adoption of home dialysis
- Prevent and treat diabetes—a leading cause of ESRD
- Look to healthcare programs that do provide transportation
  - Federally Qualified Health Centers
  - Program of All-Inclusive Care for the Elderly (PACE)

Are There Solutions? (con't)

Healthcare initiatives (con't):

- Share the costs of NEMT with transit agencies.
  - In some communities, Medicaid NEMT providers shift Medicaid-eligible trips to transit agencies' paratransit services.
  - Medicaid allowed to pay a negotiated rate for NEMT trips on public transit.
- Dialysis providers can now fund and provide patient transportation.
  - This will save federal healthcare dollars for ESRD patients, as *"dialysis patients are a population that has been identified as contributing to the increasing costs of nonemergency ambulance transportation and would benefit from local transportation furnished by providers."*

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