



# **MaineCare Non-Emergency Transportation (NET) System Redesign**

## **HHS Committee**

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**February 19, 2013**

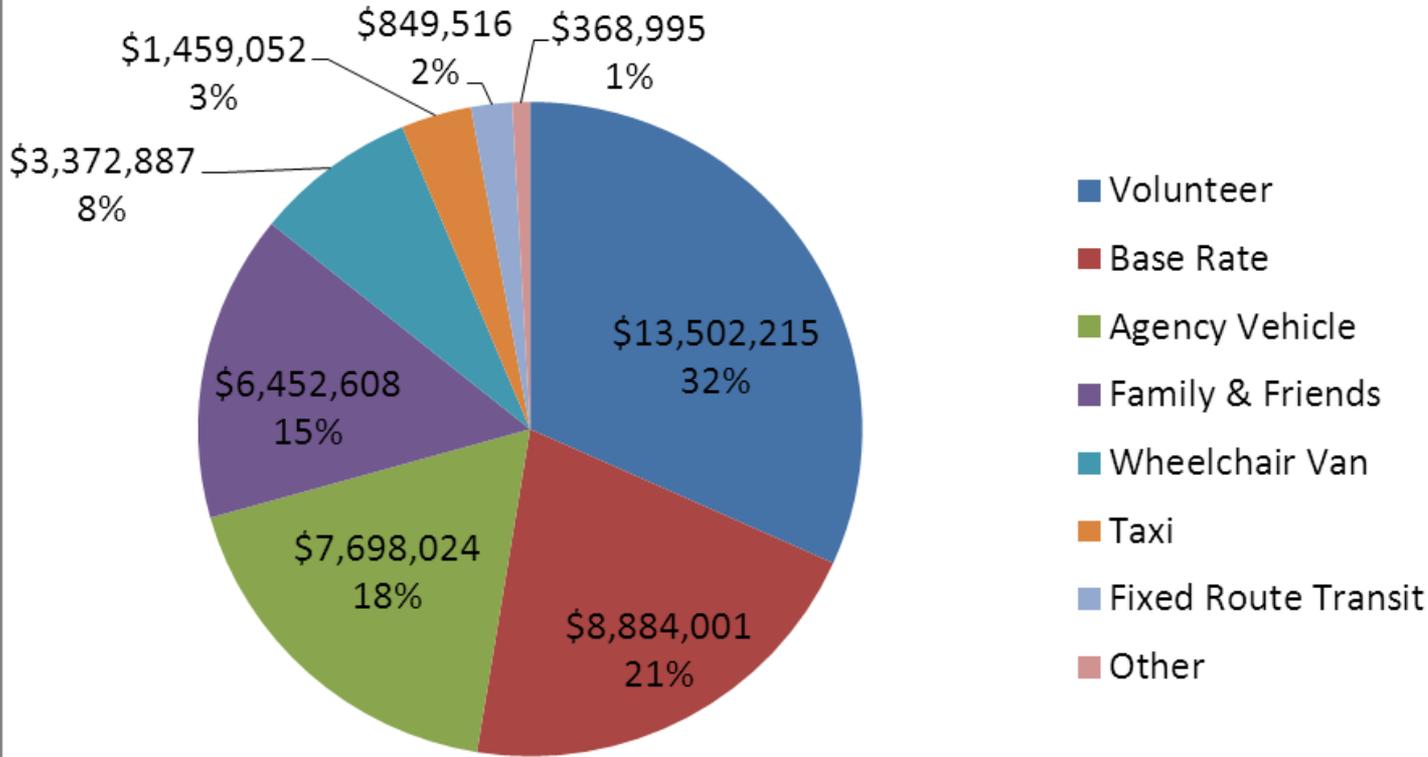
**<http://www.maine.gov/dhhs/oms/nemt>**

# Maine relies heavily on volunteer, family & friend reimbursement, totaling almost 50% of NET spending.

	SFY 10	SFY11	SFY12
<b>Total MaineCare transportation spending (NEMT &amp; waiver)</b>	<b>\$45.6M</b>	<b>\$41.4M</b>	<b>\$38.0M</b>

- \$41.7M average spending SFY11-13
- ~14% of MaineCare Members (40-45K) annually

### SFY11 Expenditures by Transportation Type

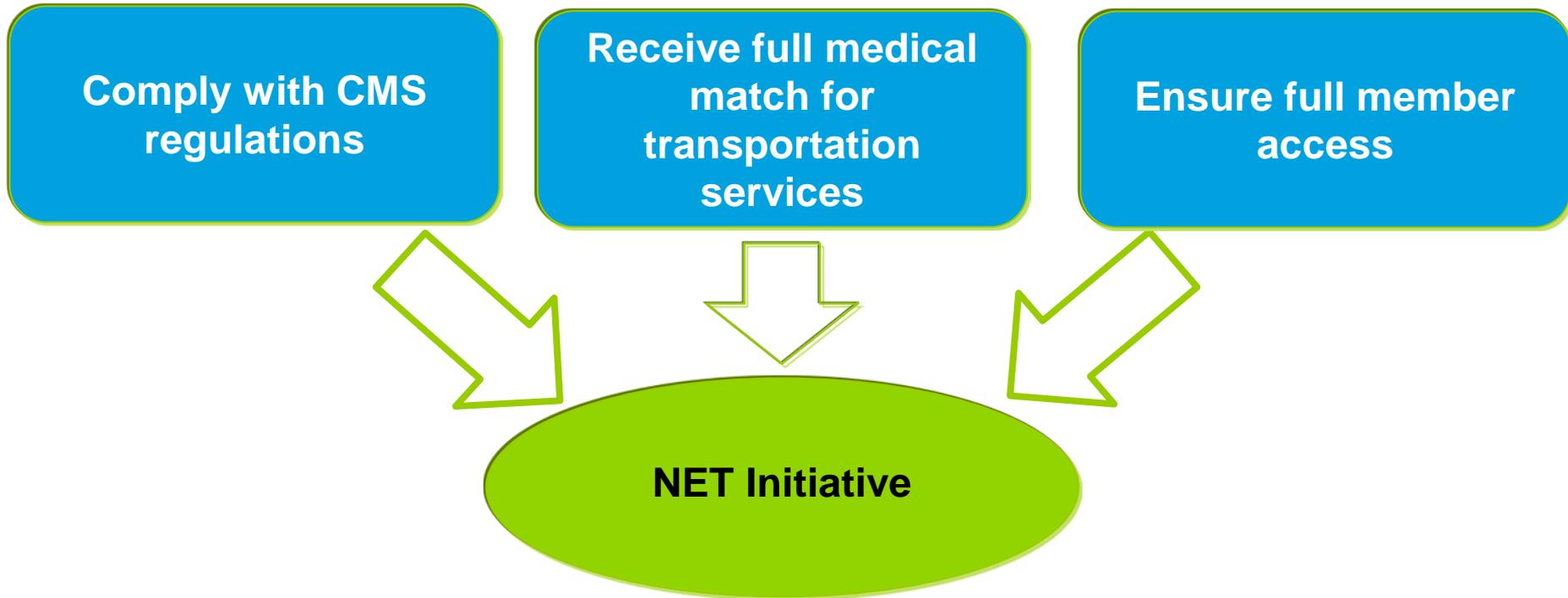


- Volunteer reimbursement accounts for the largest share of spending.
- Base rates paid to current FSRTPs represent 21% of total spending.

# Initiative Background & Timeline

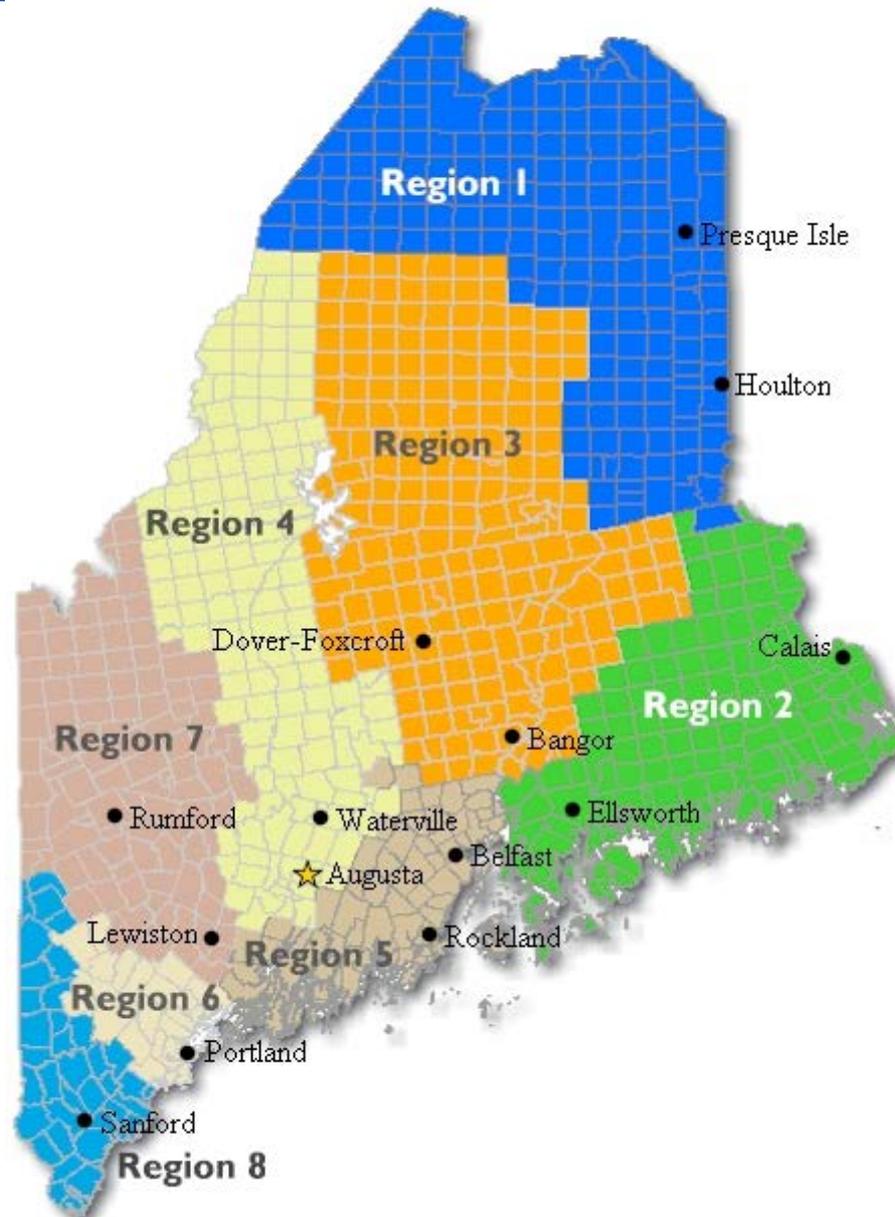
- **2009**: CMS began working with the Office of MaineCare Services to identify the aspects of the NET system that require change.
- **Nov 2010**: CMS notified MaineCare that a redesign of the NET system is necessary to achieve compliance and maintain the current federal match. CMS presented the state with options for system redesign.
- **Winter 2011**: Began working on redesign of new risk-based, regional brokerage system
- **Fall 2011**: Submitted waiver application to CMS
- **June 2012**: Received waiver approval from CMS
- **July 2012**: Posted Request for Proposals (RFP) for Non Emergency Transportation (NET) System
- **Jan 2013**: Awardees announced, approved by State Purchasing Committee. No appeals received.
- **Feb-Mar 2013**: Awardee negotiations
- **May 2013**: Implementation of new system

# Goals of Initiative



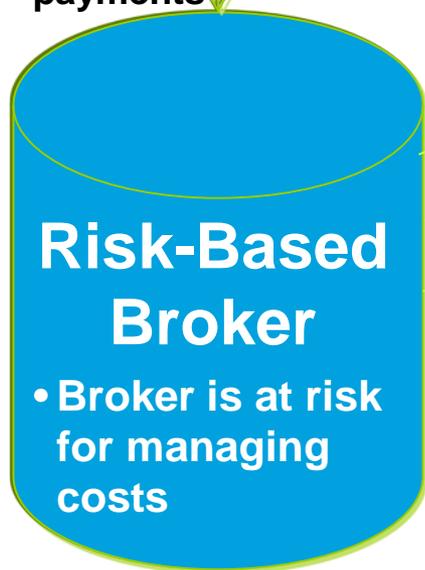
**A risk-based Prepaid Ambulatory Health Plan (PAHP) brokerage system is the only option that meets all 3 goals.**

# Regions align with MaineDOT's 8 transit regions.



# How does a risk-based brokerage system function?

Capitated  
PMPM  
payments



Broker negotiates most cost effective transportation that meets member's needs; reimburses providers.\*

Agency Vehicle

Wheelchair Van

Fixed Route

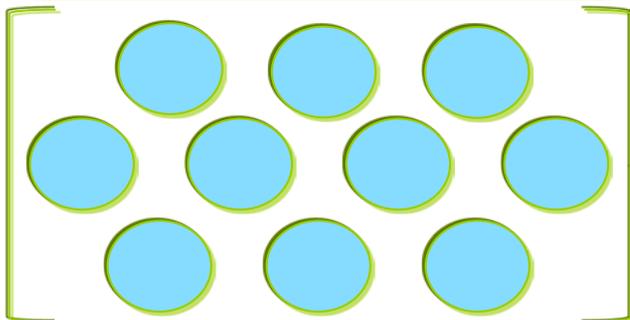
Volunteer

Family Member

Examples of Providers

Requests for Transportation

MaineCare Members



Provide Transportation

\*The broker has flexibility to include additional modes of transportation and/or to provide services through efficient and reasonable subcontracting relationships.

# Bidder Overview

Bids were received from the following organizations:

- Access2Care, a subsidiary of American Medical Response, Greenwood Village, CO
- Aroostook Regional Transportation System, Inc., Presque Isle, ME
- Coordinated Transportation Solutions, Inc., Ansonia, CT
- LogisticCare Solutions, LLC, Atlanta, GA
- Medical Transportation Management, Inc., Lake St. Louis, MO
- Penquis C.A.P. Inc., Bangor, ME

Aroostook Regional Transportation System and Penquis CAP are current Full Service Regional Transportation Providers (FSRTPs), and bid only for the regions they currently serve. The other four bidders submitted proposals for all eight transportation regions.

# RFP Review Process

The review team consisted of MaineCare management, policy, and finance representatives, as well as representatives from the MaineDOT and DHHS' Office of Child and Family Services.

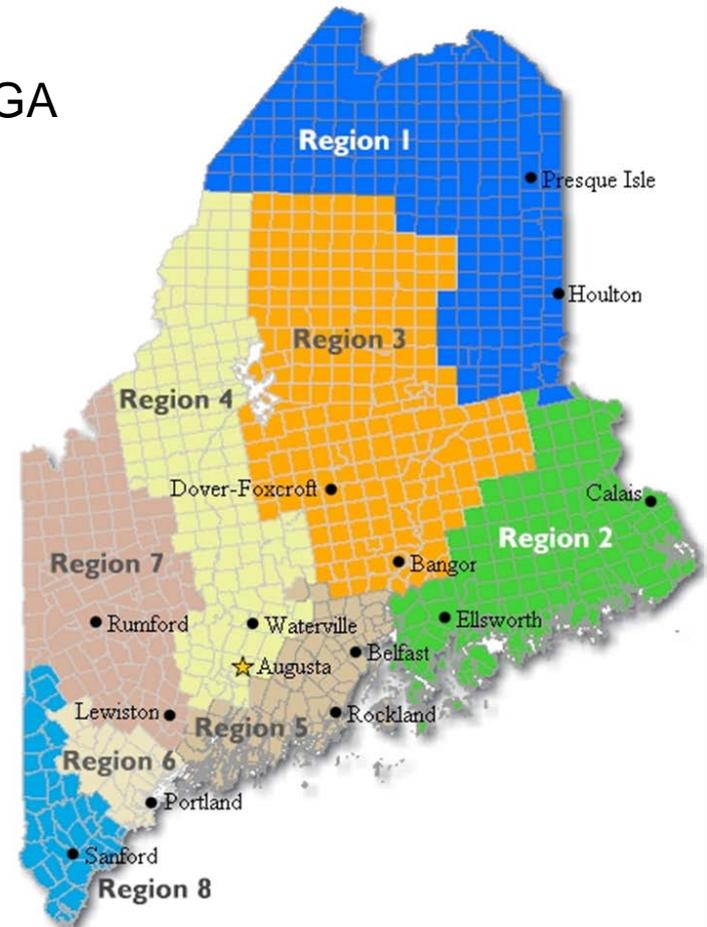
## Proposals were scored on the following criteria:

- **Organization experience, qualifications, and financial stability**
- **Development and maintenance of an adequate transportation network**, including provisions for a volunteer transportation system.
- **Development and maintenance of a customer service center and administrative systems.**
- **Reporting Requirements:** re complaints, provider records, quality metrics
- **Broker appeals processes** for members and providers.
- **Regional Coordination** with health, human service, and transportation resources, including the creation of regional advisory committees.
- **Fraud and Abuse Prevention**
- **Total Cost:** up to 25% of the total score.
- **Economic Impact within the State of Maine:** Current, recent, and projected economic impact with the State of Maine.

# Summary of Awards

On January 7, 2013, the Department sent award notifications announcing the following awards:

- Regions 1, 2, 4, 5, 6, 7: Coordinated Transportation Services, Ansonia, CT
  - Region 3: Penquis C.A.P., Bangor, ME
  - Region 8: LogistiCare Solutions LLC, Atlanta, GA
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- These awards have been approved by the State Purchases Review Committee, and represent a final decision pending the successful negotiations of mutually acceptable contracts.
  - The Department did not receive any appeals to these decisions by the January 22 deadline.



# Benefits of New System

- **Regulatory compliance with CMS**
- **Improved access to services:**
  - Access to after-hours appointments and urgent care needs,
  - Availability of transportation modes such as wheelchair vans or other appropriate vehicles that meet their medical needs.
- **Improved quality of services:**
  - Performance-based contracting with defined service level benchmarks addressing safety, reliable service, member satisfaction, and provider and member reimbursement.
- **Increased use of fixed route and public transportation options:** Brokers in all regions must maximize the use of cost efficient fixed route and other public transportation options.
- **Cost effective services:** Brokers must manage within a per member per month capitated rate.
- **Budget stability:** NET spending will only vary based on the size of the overall MaineCare population.

# How will the new NET system differ from the current system?

	Current System	Planned Regional, Risk-Based Brokerage
<b>Brokers</b>	<ul style="list-style-type: none"> <li>• 10 Full Service Regional Transportation Providers (FSRTPs) across 8 transit districts</li> </ul>	<ul style="list-style-type: none"> <li>• Up to 8 brokers aligned with DOT transit districts</li> <li>• Open to for-profit, non-profit or governmental entities</li> </ul>
<b>Competition</b>	<ul style="list-style-type: none"> <li>• OMS designates the FSRTPs, which hold standard, non-competitive provider agreements</li> </ul>	<ul style="list-style-type: none"> <li>• Bidder must compete for the brokerage</li> </ul>
<b>Risk</b>	<ul style="list-style-type: none"> <li>• Brokers paid fee for service; State at risk</li> </ul>	<ul style="list-style-type: none"> <li>• Brokers must manage within a per member per month capitated rate</li> </ul>
<b>Federal Match</b>	<ul style="list-style-type: none"> <li>• State cannot continue to receive FMAP for many services</li> </ul>	<ul style="list-style-type: none"> <li>• May receive full FMAP</li> </ul>
<b>Member Access</b>	<ul style="list-style-type: none"> <li>• Problems with consistent member access to after-hours and weekend appointments and urgent care</li> </ul>	<ul style="list-style-type: none"> <li>• Bidders must demonstrate the ability to provide 24/7 access</li> </ul>
<b>Accountability</b>	<ul style="list-style-type: none"> <li>• The State has no authority to restrict payment or terminate the relationship if an FSRTP fails to meet quality standards</li> </ul>	<ul style="list-style-type: none"> <li>• The State will tie payment to specified quality benchmarks and may terminate the contract with a broker for non-compliance</li> </ul>
<b>Transportation Options</b>	<ul style="list-style-type: none"> <li>• The State may only reimburse bus passes in Portland and Bangor; does not receive any match for bus passes.</li> </ul>	<ul style="list-style-type: none"> <li>• Brokers will be encouraged to utilize all fixed route transit options statewide, such as ZOOM, the Kennebec Explorer, City Link, and the Bath Shuttle Bus. Full FMAP for passes</li> </ul>
<b>Reimbursement</b>	<ul style="list-style-type: none"> <li>• Providers, volunteers, family, friends and members all receive fixed reimbursement rates for providing transportation</li> </ul>	<ul style="list-style-type: none"> <li>• Rates will be negotiable with the Broker; the state will set a floor at current mileage reimbursement rates</li> </ul>