Maine Coordinating Working Group on Access and Mobility

Meeting Agenda

Friday, January 9, 2026 2:00- 3:30pm

Zoom

https://mainestate.zoom.us/j/83559394320

Links to Key Information:

- Working Group Webpage

2:00 pm **Welcome and Introductions - Joyce/Zoe**

- Goals for this meeting
  - Gather additional background and context to inform ideas for recommendations

2:10 pm **Crystal Brewer, Special Project Manager, Office of Transit, Ohio Department of Transportation, on Ohio's Mobility Management Program**

2:35 pm **Roger Bondeson, Associate Director, Division of Operations, Maine Department of Health and Human Services, on DHHS' Non-Emergency Medical Transportation (NEMT) Program**

3:00 pm **Danielle Nelson, Senior Program Analyst, Office of Rural and Targeted Programs, Federal Transit Administration, on the Coordinating Council on Access and Mobility**

3:25 pm **Next Steps, Recap and Adjourn - Joyce/Zoe**

Maine Coordinating Working Group on Access and Mobility

Meeting Minutes of December 22, 2025 – Held via Zoom

Working Group Members in attendance: Nathanael Batson, Kirk Bellavance, Roger Bondeson, Samantha Horn, Tom Reinauer, Megan Salvin, Libby Stone-Sterling, Joyce Taylor.

Others in attendance: Jennifer Grant, Ryan Neale (MaineDOT); Ross MacDonald, Vermont Agency of Transportation (VTrans); Emily Becker, Izaak Onos, Luke Van Denend, AECOM; Teri Palmer, RLS Associates; Fred Butler, New Hampshire Department of Transportation (NHDOT); Sarah Cushman.

Welcome. Joyce noted that MaineDOT staff have met separately with Roger Bondeson and Kirk Bellavance to educate themselves on the issues at hand. DHHS likely will be invited to present on the brokerage system at a future meeting. Today's meeting is focused on existing efforts in Maine, New Hampshire, and Vermont. Working Group members and presenters introduced themselves.

Presentation by Ross MacDonald of VTrans. The presentation provides a summary of Vermont's program. Other key points include:

- The Vermont Legislature commissioned a study a few years ago on Vermont's braided service model
- The Department of Vermont Health Access (DVHA) provides Medicaid funding for non-emergency medical transportation (NEMT) to the Vermont Public Transit Association, which acts as the broker for Vermont's seven transit providers, who provide trips
- Vermont has also added trips for individuals who are in recovery and seeking access to jobs
- Having one point of entry improves the experience for customers, especially new customers
- Vermont had approximately 300 volunteer drivers prior to the pandemic and about 160 now
- The Legislature made available $600,000 in one-time state funds to transit providers to expand the pool of volunteer drivers given recent cost increases
- The average cost per trip increased from $24 pre-pandemic to $54 currently
- Shared scheduling software can improve coordination across regions
- The Vermont Agency of Human Services must comply with NEMT regulations and can work through VPTA or another model if there is something else that may be more effective
- The older adults and individuals with disabilities program is about $5.5M for the state and the NEMT program is $17-$18M for the state
- Significant sunk costs would be lost if VTrans moved back to providing only 5311 services
- Key findings from Vermont's 2023 study include:
    - Greater oversight from more organizations from clients receiving DR services
    - Expanding the transit advisory council to include more AHS/Human Service divisions
- Real-time software can improve the rider experience and administrative efficiency
- New Hampshire is working with Advance Transit on a pilot with Via for directly scheduling Medicaid and Americans with Disability Act trips
- Vermont utilizes 5310 funds for both vehicles and mobility management and is currently working with VPTA to embed a mobility manager there to help consolidate trips
- VTrans is also working health care providers and organizations to identify opportunities for mobility management related to frequent medical visits; this may lead to an ongoing coordinating working group among health care and transit providers

A Vermont working group found that transportation was a hurdle for individuals in recovery. Vermont's job access program provides transportation for individuals for up to two weeks, which can be extended based on circumstances. Trips are funded through 5311 formula funds and the non-federal match is split equally by VTrans and VAHS (25% each).

Vermont uses HBSS for its cost allocation software. The cost allocation piece has been challenging, and audits have identified issues with the allocation. The QRide option may offer a way forward. Ross offered to provide additional information on this in the future.

The maximum trip for medical appointments is generally 30 miles. Interstate travel for medical appointments is allowed but requires some additional effort. VTrans will fund trips up to 30 miles for two weeks and then will work with the client to identify options closer to home.

Presentation by AECOM on GO MAINE. The presentation provides a summary of the GO MAINE program. Other key points include:

- GO MAINE functions as Maine's statewide transportation demand management program
- AECOM is currently working on a 5-year strategic planning effort for GO MAINE
- GO MAINE helps individuals and organizations connect with transportation resources
- GO MAINE's primary users are those making regular trips for work or other purposes
- 28 volunteer driver networks are currently discoverable on the GO MAINE trip planner
- GO MAINE is statewide and does not have intimate knowledge of resources at the regional level
- GO MAINE can integrate technologies such as General Transit Feed Specification (GTFS) as transit providers put them in place

Presentation by Teri Palmer, RLS Associates, and Fred Butler, NHDOT. The presentation provides a summary. Key points from the discussion include:

- New Hampshire received COVID funds in 2022 through DHHS to support its mobility management program
- New Hampshire was unable to create a position for a statewide mobility manager, so it was included under an existing contract with RLS Associates
- The mobility management contract is now a separate contract with RLS
- NHDOT oversees the statewide mobility manager who oversees the regional mobility managers
- Regional coordinating councils develop regional work plans
- The Keep New Hampshire Moving website
    - Functions similarly to GO MAINE's trip planning platform
    - Serves as a one-stop shop to connect to resources and information by region
    - Does not provide trips; works with riders to find appropriate transportation resources
    - Commute Smart New Hampshire helps to connect potential drivers and passengers
    - Includes a database of transit providers and transportation resources by region
    - Provides links to regional mobility managers and planning efforts by region
    - Includes other modes of transportation such as bike and pedestrian
- New Hampshire's mobility management is funded through FTA 5310 (older adults and individuals with disabilities) and Federal Highway Administration flex funds (state transportation block grant funds)
- The use of 5310 funds for mobility management in New Hampshire has been controversial
- The influx of COVID relief funds made a part-time mobility manager possible for three years

- New Hampshire has a 10-year plan process in which an intermodal council aligns funding; transit providers and advocates have provided consistently strong support for mobility management
- The amount of flex funds increased from $800,000 to nearly $3M due to the consistent support
- Each of 8 regions receives a minimum of $50,000 and up to $350,000 for mobility managers which is matched by toll credits (all federal)
- If a region uses less than $350,000 for its mobility manager, the remainder is used for program support
- New Hampshire would like to have another funding source and a statewide mobility manager position within the DOT
- A Maine statewide mobility manager could live within either MaineDOT or DHHS
- Regional mobility managers are critical in providing coordination among partners, stakeholders, providers, and passengers
- Regions decide where to house their mobility managers; it may be appropriate to house them with the regional transit provider, but they are frequently divided between the provider and regional planning commission
- Regional coordinating councils also vary by region
- Mobility managers play a leading role in coordinating council meetings
- The state coordinating council is an unfunded collaborative body that, by statute, includes 15 members, including state agencies, providers, and stakeholders
- The coordinating council works on all issues except fund braiding, which is a critical piece
- Both Vermont and New Hampshire were asked about a needs assessment or summary of the structure that was envisioned and how it is working on the ground
    - Vermont's fund braiding program has been in place for over 20 years
    - New Hampshire is finalizing a community transportation needs assessment which will look at fund braiding
    - New Hampshire would be able to provide some advice on a regional model if Maine decides to go that route, such as utilizing county boundaries

Zoe stated that the intent of the legislation is to create a structure and action plan for mobility management in Maine based on what we already know about best practices. Significant start-up funding may be necessary but this should decrease moving forward. It would be helpful to identify appropriate regional designations and capacity for each region. Maine's effort should be iterative. Teri suggested that Maine may want to follow the Massachusetts model of an advisory council to define and refine the mobility management structure. New Hampshire is looking to adjust its structure, including regional boundaries, after three years of operating with this model.

Brief Status Update on RFP and Consultant Selection Process. Scoring has been completed and MaineDOT is negotiating with the preferred consultant.

Next Steps, Recap, and Adjourn. Joyce invited the Working Group members to share questions for presenters or for the consultant. Future agenda items include presentations from other states, DHHS on fund braiding, the role of a state mobility manager in a regional approach, and ways the state can support such efforts, potentially including scheduling and/or cost allocation software.

The next Working Group meeting is Friday, January 9, from 2:00 to 3:30 p.m.

Janet T. Mills
Governor

Jeanne M. Lambrew, Ph.D.
Commissioner

Maine Department of Health and Human Services
Commissioner's Office
Office of MaineCare Services
Office of Aging and Disability Services
Augusta, Maine 04330

February 10, 2020

Senator Gratwick, Chair
Representative Hymanson, Chair
Members, Joint Standing Committee on Health and Human Services
100 State House Station
Augusta, ME 04333-0100

Re: LD 1142 – *Resolve, To Expand Transportation Services for Seniors Who Are MaineCare Members*

Senator Gratwick, Rep Hymanson, and Members of the Joint Standing Committee on Health and Human Services:

This letter is in response to the Committee's request re: LD 1142, *Resolve, To Expand Transportation Services for Seniors Who Are MaineCare Members*.

The LD sought to require the Department of Health and Human Services (the Department) to provide transportation services to individuals receiving Home and Community Benefits for the Elderly and Adults with Disabilities under Chapter II, Section 19 of the *MaineCare Benefits Manual* (10-144 C.M.R. Ch. 101), Home and Community Benefits (HCB) for the Elderly and for Adults with Disabilities, if those services are in the person's plan of care, "in addition to any currently permissible medical transportation, when the individual has no other means of transport." MaineCare administers the Section 19 benefit through a federal 1915(c) Home and Community-Based Waiver. LD 1142 also would have required the Department to develop a plan to provide non-emergency transportation (NET) to other elderly individuals who do not have access to transportation to services that meet their basic needs.

The Committee decided to carry over LD 1142 due to apparent conflicts between MaineCare rules and the practicalities of the brokerage transportation system. The Committee asked the Department to offer a report with a plan for resolving this conflict and for determining how members receiving HCB services through a waiver could receive transportation using the NET program for "non-medical services" required in plans of care.

Overview of Section 19 Waiver Services and Transportation
Per the *MaineCare Benefits Manual*, HCB benefits are meant to supplement, rather than replace, natural supports. This means that a person's plan of care could include a combination of MaineCare covered services and unpaid services, such as a friend or family member transporting a waiver member to a non-MaineCare covered activity in the community. For all waivers, the provision of services is subject to available funding for the program (individual cost limitations as set forth in the *MaineCare Benefits Manual* and aggregate cost neutrality assurances required by 42 C.F.R. §441.302).

Under Section 19, MaineCare's practice under the NET brokerage system has been to provide members with transportation to MaineCare covered services that are in their plans of care and that, on their own, are billable services under MaineCare. Plans of care may include personal support services (PSS), which could include time spent on Instrumental Activities of Daily Living (IADL), such as grocery shopping. Since these IADL are not, on their own, billable services under MaineCare, MaineCare has not provided transportation to these types of activities under the NET brokerage system. The reimbursement rate for PSS providers does not include any component intended to cover transportation costs, and, as such, PSS providers generally do not provide transportation for these activities.

Non-Emergency Transportation Program Overview

As laid out in Chapter III, Section 113 of the *MaineCare Benefits Manual*, MaineCare's NET program provides transportation for eligible MaineCare members to and from non-emergency MaineCare-covered services, many of which are non-medical in nature. The following criteria must apply for MaineCare to cover a NET trip to a MaineCare covered service:

- No other means of transportation is available AND
- Transportation is not otherwise included in a provider's rate for a service OR
- Provider vehicles are proven to be out of commission or unavailable (for providers whose rate includes transportation)

The Department reimburses transportation brokers on a per member per month ("capitated") basis, regardless of the number, type, or distance of trips provided. Transportation brokers establish their own rates for transportation providers, in alignment with MaineCare requirements regarding minimum rates. SFY19 NET expenditures were $60,817,448 (state and federal dollars combined).

Limitations to Implementation of an Expansion of Section 19 Waiver Transportation Services Reimbursable Through NET

There are several key reasons why it would be difficult to implement the requirements set forth in LD 1142 through the NET program.

1. Availability of funding. The Office of MaineCare Services (OMS) has administered a NET program for many years. At no time, either under the Fee-for-Service program that operated prior to 2013, or under the brokerage model that has been in place since 2013, has the program been funded to enable the provision of transportation to activities that are not, on their own, billable MaineCare covered services.

2. Costs of expanding NET to provide transportation to all services specified under a Section 19 plan of care cannot be immediately projected. The Centers for Medicare and Medicaid Services (CMS) requires state Medicaid agencies to procure the services of an independent actuary to establish rates to compensate brokers for transportation costs under the NET program. Beginning in 2013, OMS's independent actuary established capitated rates for the NET brokers based on historical data on trips to MaineCare covered services from the preceding Fee-for-Service transportation program. There is no historical trip data for transportation to activities intended to meet the full scope of a plan of care, outside of MaineCare's traditional covered services; thus, the independent actuary has no Maine-specific data on the frequency or length for these kinds of trips

upon which to establish rates for brokers to ensure transportation coverage for these kinds of services. Our high-level estimate at this time is that initial rate development would take six months. More information about costs and data required to establish rates is described in the following section.

3. Rule changes and waiver amendments would be necessary. The Department would need to update several sections of the *MaineCare Benefits Manual* and the state's approved 1915(c) waiver to incorporate new covered services and rates. This could require increasing existing service caps of $65,000 per member per year annually, which would require an additional funding request from the Legislature and could have downstream effects on the waiver's budget neutrality assurances. Such a change would require further discussion regarding the development and implementation of authorization criteria and oversight to ensure members do not exceed service caps.

4. System changes would be necessary. To capture information on the frequency, destinations, and miles traveled for an increased scope of transportation services, NET encounter claim fields would need to be added to OMS's claims processing system. This data would be critical to establish appropriate rates for transportation to these activities going forward. Our high-level estimate at this time is that system changes would take six months. Costs are estimated in the following section.

Options for Future Implementation

There are a variety of factors that must be considered should the NET program expand the scope of current transportation services.

Labor Shortage

NET brokers are experiencing a significant labor shortage across the state, which has already begun to affect service delivery in the current program. Adding more demand for trips would exacerbate this problem and could have the unintended effect of additionally reducing driver availability for transportation to services such as doctor visits, day programs, etc.

Costs

Known costs include:

- The independent actuary for MaineCare's NET program has estimated a cost of $200,000 annually for the first two years to research and establish new capitated rates. Thereafter, the administrative costs for required actuarial services would come down to about $50,000 annually.
- System changes for NET encounter claims are estimated at $500,000 (one-time cost).

The actuarial services and NET staffing costs would receive a 50% federal match. System change costs would receive a 75% federal match.

Unknown costs and policy implications include:

- Increase in capitated rates for brokers to cover transportation to a new set of services, to be determined by an actuary. Current federal match is 64.52%, leaving the required state match at 35.48%.

- Additional staff time to handle the administrative management of the increased, currently unknown, volume of NET rides. One additional staff person would have an estimated salary and fringe benefit cost of $52,000 annually.

We have been in communication with our independent actuary to better understand how they might establish new capitated rates. They would undertake the following:

- Review Maine NET data for Section 19 waiver members to determine how many utilize transportation. Waiver members' current plans of care could be another source of information for demand.
- Review their own internal as well as national health data to indicate frequency of certain trips types that have not traditionally been covered under NET, such as trips to grocery and retail stores.
- Review other states' Medicaid program data.

Other required information includes the modes of transportation and types of trips allowed, and any financial cap on services. A financial cap could be determined in part by looking to other states' experiences.

The independent actuary would work with the Department to develop a risk-sharing arrangement to cap profits or losses experienced by the brokers for additional transportation services. These types of risk-sharing arrangements are common when new services with unpredictable utilization are implemented under capitated programs.

Implementation Outside of NET

The Department has begun exploring other approaches to providing additional transportation services, including a review of other states' programs that could act, in Maine, as a complement to the existing NET program. One example of note is New York Medicaid's provision of an annual $2,000 cost cap per individual for non-medical transportation needs covered within an individual's plan of care. This enables certain eligible individuals to make choices and prioritize a set budget to meet their non-medical transportation needs, for example, purchasing bus and taxi services, as needed, within the cap limit. More research into the policy, financial, and operational considerations would be needed to understand whether and how this type of program could be implemented in Maine.

Other Waiver Sections

The letter received by the Department following the carryover of LD 1142 also mentioned transportation for other waiver sections. Under Sections 18, 20, 21, and 29 of the *MaineCare Benefits Manual*, part of the established HCB waiver provider reimbursement rate for many services includes transportation. This is often called "in-program transportation," to distinguish from NET's provision of transportation to and from the services, and it is available if the member requires staff support for the activity. An example can be found in Chapter II, Section 21.05-13 of the *MaineCare Benefits Manual* for the Home Support - Quarter Hour service. As part of that service, it is expected that the waiver provider will take a member into the community to destinations like a grocery store or the bank. Assumptions for these types of transportation costs were included in past rate studies and built into the final reimbursement rates for the waiver providers. If a waiver provider's rate for a covered service includes transportation, it will be noted under the relevant section of the *MaineCare Benefits Manual.*

MaineCare prohibits duplicative reimbursement through Chapter I, Section 1 of the *MaineCare Benefits Manual*. As such, the NET program is not able to provide transportation services for members whose HCB waiver providers already receive reimbursement for those same transportation services. Therefore, expanding transportation to these waiver members through NET would mean that the portion of the HCB waiver provider rate that currently accounts for the same transportation services would need to be removed, resulting in a reduced rate for HCB waiver providers. The implications of any increased scope of services for NET noted above would also apply. Should transportation remain the responsibility of HCB waiver providers for services that include transportation within their covered scope, the Department could re-assess that portion of the accompanying rate to determine if it is adequate for providers to appropriately meet waiver members' transportation needs.

DHHS Transportation Workgroup and Program Evaluation

In June 2019, the Department organized a workgroup of senior staff from the Office of MaineCare Services, Office of Child and Family Services, Office of Substance Abuse and Mental Health Services, Office of Aging and Disability Services, and Division of Contract Management to evaluate and align the Department's transportation programs. The workgroup also plans to conduct an independent evaluation of DHHS transportation services to inform additional improvements to quality and access, including an assessment of how transportation is provided to waiver members. The Department will release a request for proposals to procure a consultant to perform the evaluation.

Investment in Public Transportation

As a comparison to the information presented earlier in this letter, the SFY19 Department of Transportation (DOT) budget for public transit, exclusive of capital, passenger rail, and the Maine State Ferry Service, was $12,147,845 (state and federal combined). In SFY19, MaineCare NET spent five (5) times more on MaineCare transportation than the State of Maine is spending on all other comparable public transit.

As noted above, the NET program constitutes greater public spending on transportation than that spent by DOT. Additional investment into DOT's public transportation programs, including programs accessible to older Mainers, could also help address the Committee's concerns about lack of available transportation.

DHHS is collaborating with DOT and other Departments on the new Age-Friendly State Steering Committee, which has identified transportation as a priority domain on the workplan it is developing through the summer and fall of 2020. The Department is available to answer additional questions about the Age-Friendly State Steering Committee should the Committee request further information.

DHHS and DOT are also working together to consider a ride-sharing pilot to increase access to more affordable transportation services for MaineCare members and the general public. The pilot would look to combine, in a single trip, riders going to both MaineCare and non-MaineCare covered services, with a fiscal structure and the accompanying documentation that would be necessary to comply with federal regulations to ensure that Medicaid dollars are not used to subsidize non-Medicaid services. Currently these rides must be separate, which increases the

number of trips needed to and from similar destinations. The feasibility of this pilot is dependent on the availability of funding and the identification and implementation of a payment and tracking structure acceptable to CMS. We will gladly keep the Committee apprised of any developments.

In summary, under Section 19, MaineCare's practice under the NET brokerage system has been to provide members with transportation to MaineCare covered services that are in their plans of care and that, on their own, are billable services under MaineCare. Several funding, rule-making, and implementation constraints limit MaineCare's ability to extend the NET program to provide transportation to all services in a Section 19 member's plan of care. As a first step, the Department would need to engage an independent actuary to determine appropriate rates to compensate brokers for the additional trips and to estimate the fiscal impact. As a result, the Department believes it is most appropriate to continue to explore potential alternatives to the current NET brokerage system to meet the community-based, non-medical transportation needs of waiver members as well as to look for new ways to improve the quality of and access to transportation for all Mainers.

We would be happy to make ourselves available to the committee to discuss further or to answer any questions.

Sincerely,

Michelle Probert, Director
Office of MaineCare Services

Paul Saucier, Director
Office of Aging and Disability Services

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
JFK Federal Building, Government Center
Room 2275
Boston, Massachusetts 02203

Division of Medicaid and Children's Health Operations / Boston Regional Office

November 22, 2010

Brenda M. Harvey, Commissioner
Department of Health and Human Services
11 State House Station
Augusta, Maine 04333

Dear Ms. Harvey:

We completed our review of Maine's proposed §1915(b) waiver (ME-10.000) addressing non-emergency medical transportation (NEMT) brokerage program and determined that, at present, the waiver cannot be approved. As submitted, the proposed NEMT §1915(b) waiver does not comply with Federal Medicaid requirements. After numerous discussions with your staff, we developed a document that outlines the issues we found and offers viable options for your consideration to bring the proposal into compliance with Federal Medicaid requirements. Enclosed is a copy of the option paper.

In order to ensure that Maine's NEMT program is in compliance as soon as possible, we are requesting that your Department inform us of (1) the selected option and (2) an action plan no later than January 31, 2011. As always, we are available to provide technical assistance.

If there are questions, please contact Chong Tieng. He can be reached at (617) 565-9157.

Sincerely,

Richard R. McGreal
Associate Regional Administrator

Enclosure

cc:
Geoffrey Green, Deputy Commissioner, Department of Health and Human Services
Anthony Marple, Director, Office of MaineCare Services

MAINE NON-EMERGENCY MEDICAL TRANSPORTATION (NEMT) PROGRAM: REVIEW OF PROBLEMS AND PROPOSED OPTIONS

BACKGROUND:

The Maine Department of Health and Human Services (hereafter known as the State) wants to maintain its current NEMT program without changing it and has submitted a proposed §1915(b) waiver to transition its brokered non-emergency medical transportation (NEMT) program from an administrative service to an optional medical services in order to claim Federal medical assistance percentage (FMAP). Maine submitted a §1915(b) waiver rather than a State plan NEMT brokerage option amendment under §1902(a)(70) of the Social Security Act (the Act) because the State's current program does not meet two requirements of the State plan option: (1) all contracts must be competitively procured and (2) with few exceptions, transportation brokers cannot be the providers of service.

Under the waiver, the regional transportation companies (RTC) would be paid fee for service (FFS) to coordinate transportation for Medicaid beneficiaries as well as to process claims from transportation providers, and requests for mileage reimbursement for volunteers, family members and beneficiaries. The RTC would send the State each month a list of approved rides. Using a preset fee schedule, the State would pay the RTC an administrative fee per ride and a separate fee for the actual service. After receiving payment from the State, the RTC would pay the direct transportation providers, volunteers, family members and beneficiaries accordingly. The coordinator would keep the per ride administrative fee.

This paper discusses the issues we found with the proposed waiver and offers various options for the State to consider.

QUESTIONS PRESENTED:

1. What are the problems with Maine's current §1915(b) waiver as submitted?
2. What can Maine do within its current §1915(b) waiver to make the program work/how can it be corrected?
3. What are Maine's other options besides §1915(b) waiver?
4. What, if any, are other outstanding questions/issues with the waiver?

SUMMARY OF STATE OPTIONS

1. Under §1915(b):
    a. Convert the proposed §1915(b) waiver to operate non-risk prepaid ambulatory health plan(s) (PAHP).
    b. Convert the proposed §1915(b) waiver to operate at-risk PAHP(s).
    c. Modify the proposed program design based on how the RTC functions.
2. Outside §1915(b) Authority:
    a. Optional State plan NEMT brokerage program under §1902(a)(70) of the Act as added by §6086 of the Deficit Reduction Act of 2005.
    b. Section 1115 demonstration waiver project to implement its NEMT program.

c. Operate Administrative Services Organization (ASO)[1]

DISCUSSION: What are the problems with Maine's current 1915(b) waiver as submitted?

1. State payments to RTCs when these RTCs perform administrative function
    a. Under the proposal, the RTCs would bill the State for the total cost of providing the NEMT even when the RTC arranges for the transportation. Rates include a base rate for the administrative service and a trip/mileage/fare component. The State would pay the RTC the total costs including administrative fee and trip/mileage/fare components including the total costs when the RTC acts as the broker. The RTC would then reimburse the actual provider of the transportation service.
    b. This is not consistent with Federal requirements. Under the direct vendor provisions at §1902(a)(32) of the Act and 42 CFR 447.10, medical assistance payments cannot be made to individuals or entities that are not the actual provider. As proposed, Medicaid payments of the total costs can only made directly to the RTC when the RTC actually provides the services. When the RTC arranges for the transportation, the State may only directly reimburse the RTC the administrative fee. Payments for the actual cost of the trip (trip/mileage/fare) must go directly to the actual provider of service and documentation of these payments must be maintained.
        i. There are exceptions in the statue/regulation, but they are not applicable to the State's proposal as it stands.
        ii. The regulation allows, among other things, that payments be made to a business agent. The function of the business agent is to pay claims. The RTC would not fit this business model because it provides or arranges for the service.

2. Claiming of administrative fees and mileage as FMAP
    a. Under the proposal, the RTCs would bill the State for the total cost of providing the NEMT but in some cases contract out the actual transportation. The RTC rates include a base rate component for the administrative service and a trip/mileage/fare component. The State would claim all costs at the FMAP rate. The State does not separate out the costs.
    b. Payment at the FMAP rate is appropriate only to the extent that it meets the requirements of §1902(a)(32) of the Act, and 42 CFR 447.10, Federal financial participation (FFP) at the FMAP rate is only available for the trip/mileage/fare component; the RTC administrative components may be claimed at the administrative rate provided that other requirements are met.
    c. The State must retain documentation to verify that payments are accurately made.

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[1] An ASO is an entity which is structured similarly to a managed care organization. However, an ASO has primary responsibility for the administrative functions of a health care delivery system. In addition, most contracts with ASOs are on a non-risk basis and the ASO assumes no risk for medical costs for those populations covered under an ASO arrangement. In many cases, the states maintain financial responsibility for medical costs. Some ASOs are responsible for such tasks as claims management, member services, provider services, grievance and appeals, and utilization review.

Payment made to RTCs for use of volunteers

a. Under the proposed program, the RTCs would utilize volunteer drivers to provide non-emergency medical transportation services as a cost-effective alternative to utilizing provider owned vehicles or common carriers. The rates would include a base rate component for the administrative service and a trip/mileage component and all payments are made to the RTCs. The base rate would pay for the fixed costs associated with the service (recruiting, screening, scheduling of volunteer drivers, etc.) and the mileage component would be paid by the RTCs to the subcontracted volunteer drivers to reimburse their out-out-of pocket expenses.
b. Per §1902(a)(32) of the Act and 42 CFR 447.10, Medicaid payments cannot be made to individuals or entities that are not the actual provider. Thus, the State would have to make the payments directly to volunteer drivers. RTC costs for administration of the volunteer program could be claimed at the administrative rate.

4. Reimbursements to beneficiaries, family members and friends
    a. Under the proposal, the RTCs would reimburse beneficiaries, friends or family members for their expenses when they use their own vehicle. Rates would include a base rate component for the administrative services and a trip/mileage component and all payments are made to the RTCs. The base rate would pay for the fixed costs associated with the service and the mileage component would be paid by the RTC to the beneficiary, friend or family member to reimburse their out-of-pocket expenses.
    b. Payment to beneficiaries or individuals in the eligible family unit for the provision of NEMT services do not qualify as a direct vendor payment described at §1902(a)(32) of the Act and 42 CFR 447.10.

5. RTCs acting as both brokers and providers of service
    a. Under the proposal, the RTCs would either arrange the NEMT or provide the service themselves even though they are required to use the most cost-effective means. This arrangement could lead to abuse since the RTCs receive higher reimbursements it they provide the service directly. The State would need to provide a description of its oversight to prevent potential fraud and abuse.
    b. The State must retain documentation to verify that payments are accurately made.

6. State oversight to ensure the integrity of the program
    a. The State indicates that NEMT services are provided in the most cost-effective manner. However, there is little discussion about State oversight to ensure that this is the case.
    b. The State must retain documentation to verify that payments are accurately made.
    c. The State must comprehensively describe what the provider qualifications will be and how they will delegate them down to all providers and ensure that they are met. What protections are in place when volunteer/family/friends are utilized, etc.?

DISCUSSION: What can Maine do within its current 1915(b) waiver to make the program work/how can it be corrected? The options are presented without regard to preferences.

1. ***Option 1: Convert the proposed §1915(b) waiver to non-risk prepaid ambulatory health plan(s) (PAHP).***[2]
    a. Under this option, the State may reimburse PAHPs on the basis of prepaid capitation payments or other payment arrangements that do not use State plan payment rates.
        i. Since this is a non-risk contract, the State must reconcile the payments to RTCs (whether capitations or other reimbursement arrangements) to the upper payment limit (UPL) and payments cannot exceed the UPL.
        ii. 42 CFR 447.362 requires that Medicaid payments under a non-risk contract may not exceed what Medicaid would have paid on a basis of a fee-for-service basis, for the services actually furnished to recipients plus the net savings of administrative costs the Medicaid agency achieves by contracting with the plan instead of purchasing the services on a fee-for-service basis.
        iii. Because these contracts are non-risk, the payment rates do not have to be actuarially sound.
    b. The contract between the RTCs and the State must meet the relevant provisions of 42 CFR 438 pertaining to PAHPs.
    c. The State must submit the contract for review and approval.
    d. The current State plan reimbursement methodology described in Attachment 4.19-B does not meet the comprehensive requirements at 42 CFR 430.10. Maine must submit a State plan amendment (SPA) describing how the State proposes to reimburse providers.

2. ***Option 2: Convert the proposed §1915(b) waiver to an at-risk PAHP(s).***
    a. Under this option, the State may reimburse PAHPs on the basis of prepaid capitation payments.
        i. The payment rates under an at-risk contract must be actuarially sound and meet the requirements of 42 CFR 438.6(c).
        ii. Unlike a non-risk contract, the State does not have to perform a settlement to the fee for service upper payment limit costs.
    b. The contract between the RTCs and the State must meet the relevant provisions of 42 CFR 438 pertaining to PAHPs.
    c. The State must submit the contract for review and approval.

3. ***Option 3: Modify the proposed program design based on how the RTC functions***
    a. When the RTC is the provider of service
        i. The State pays the RTC for directly providing transportation.
        ii. The State must have monitoring plans in place to prevent fraud and abuse.

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[2] A PAHP is an entity that provides medical services to enrollees under contract with the State agency, and on the basis of prepaid capitation payments, or other payment arrangements that do not use State plan payment rates. A PAHP does not have a comprehensive risk arrangement.

b. When the RTC arranges for services
    i. To comply with the requirements of §1902(a)(32) of the Act and 42 CFR 447.10, the State pays the RTCs directly for the administrative fees and pays the provider of service directly for the trip/mileage/fare costs. As an administrative entity, the RTC may not receive FMAP payments and is not permitted to pass them through to the actual service provider. The State must ensure that all NEMT providers meet provider qualifications.
    ii. The State must separate the administrative fees (base rates) from the trip/mileage/fare component. FFP is available for the trip/mileage/fare component at the FMAP rate and administrative fees at the administrative rate.
c. As discussed above, the current reimbursement methodology described in Attachment 4.19-B does not meet the comprehensive requirements at 42 CFR 430.10. Maine must submit a SPA detailing how the State proposes to reimburse providers.

DISCUSSION: What are Maine's other options besides §1915(b) waiver?

1. ***Optional State plan NEMT brokerage program under §1902(a)(70) of the Act as added by §6086 of the Deficit Reduction Act of 2005***
    a. Modify the current program design to address the issues discussed above. See the above discussion entitled "What are the problems with Maine's current 1915(b) waiver as submitted" for more information on the issues that need to be addressed.
    b. Advantages:
        i. No renewal requirement is necessary
        ii. No actuarial certification of capitation rates is required
        iii. The Medicaid managed care rules do not apply
        iv. FFP is available retroactive to the first day of the month in the quarter in which the SPA is submitted
    c. Disadvantages:
        i. Competitive bidding procurement is required
        ii. Brokers may not be the provider of transportation services except in designated rural areas.
            1. Section 1902(a)(32) of the Act and 42 CFT 447.10 prohibit State payments to anyone other than providers.
                a. In order to meet this requirement and claim FFP at the FMAP rate for payments to volunteers, the State must ensure that all volunteer drivers are enrolled as vendors.
                b. Volunteer drivers may enroll through the State or the RTCs.
            2. Maine must separate administrative costs and the actual costs of trips to ensure that the State claims FFP appropriately. In this case, the State must separate the base rates from the mileage/trip/fare component. The State can only claim the base rate costs at the administrative rate; costs for mileage/trip/fare may be claimed at the FMAP rate.

3. The State must maintain documentation to ensure that payments are made appropriately.

iii. The State must also have a mechanism to track payments to beneficiaries, immediate family members, and friends because FFP at FMAP rate is not available for payments to these groups. FFP is only available at the administrative rate for payments made to these individuals if other requirements are met.

2. ***Claim allowable NEMT expenses at the administrative rate provided that the requirements pertaining to administrative claiming are met. For the various reasons discussed above, Maine may not claim FFP at either the FMAP or administrative rate for reimbursing State employees providing the NEMT services.***

3. ***Administrative Services Organization (ASO)***
   a. Modify the current program design to address the issues discussed above. See the above discussion entitled "What are the problems with Maine's current 1915(b) waiver as submitted" for more information on the issues that need to be addressed.
   b. Execute an ASO contract(s) with the RTC(s) who would perform only administrative functions, which would be federally matched at the administrative rate.
   c. Under such a model, the State must pay the transportations providers directly, consistent with their approved State Plan methodology, and those payments would receive the FMAP match rate.
   d. The current State plan reimbursement methodology described in Attachment 4.19-B does not meet the comprehensive requirements at 42 CFR 430.10. Maine must submit a State plan amendment (SPA) describing how the State proposes to reimburse providers.
   e. The State would also submit a contract to CMS for review.

4. ***Section 1115 demonstration project to implement its NEMT program***
   a. Section 1115 demonstration allows the Secretary, at her discretion, to waive certain Medicaid requirements that promote the objectives of the Medicaid program.
   b. The Secretary may waive the requirements of §1902(a) of the Act or provide FFP for costs that are not otherwise matchable under §1903(a) of the Act.
   c. Advantages:
      i. Gives the State broader authority, if approved by the Secretary, to implement its program.
         1. Payment to beneficiaries, family members, and friends at the FMAP rate.
   d. Challenges
      i. There is no time limit for an approval of a §1115 demonstration.
      ii. There is no guarantee that the Secretary will approve such a demonstration.

iii. Budget neutrality: The State must demonstrate that the waiver costs are equal to or less than the without waiver costs.

DISCUSSION: Other outstanding questions/issues pertaining to the proposed waiver?

1. The other issues at the moment are listed in our request for additional information letter dated March 13th. However, depending on how the State decides to proceed, we may have additional questions.
2. Currently, the following questions are listed in the letter
    a. The following questions refer to the cost-effectiveness of the demonstration (Section D) the State submitted in response to our informal questions.
        i. Please provide supporting documentation for the following:
            1. The Base Year (State Fiscal Year 201 0) for Member Months - Tab Dl -Box C-13.
            2. The $1 2.25 per member per month Base Year cost - Tab D3 - Box 0-1 8.
            3. Year One member months increase of 14.2 percent and Year Two increase of 7 percent - Tab D3 Boxes H-15 & M-15.
        ii. Please clarify whether the administrative costs incurred by the transportation vendors/providers are included in the per member, per month cost.
        iii. Please explain why Tab D2.A Admin in Waiver Cost is left blank. Please report the projected administrative costs incurred by your Department in this Tab.
    b. The State indicated in the response to our informal questions that the Department of Health and Human Services delegated certain functions for administering the NEMT brokerage program to the Department of Transportation and will have a memorandum of understanding (MOU) to reflect the delegation. Please submit a copy of the MOU.
    c. In various sections of the §1915(b) application, the State indicated that the CMS regional office has approved the provider agreement. We note that the regional office has not approved such provider agreement. If the arrangement does qualify as a PAHP, then the provider agreement will still need to be approved by the CMS Boston regional office.
    d. On page 14 of the application, the State requests a waiver of section 1902(a)(4) of the Act pertaining to assurances that the State provide services in compliance with the amount, duration and scope provisions, access to emergency services requirements and access to family planning service requirements. The State needs to provide a list of the statutory regulatory citations you are requesting a waiver of.
    e. On page 32 of the application, the State requests a waiver of section 1902(a)(4) of the Act pertaining to information to potential enrollees and enrollees. Specifically the State requests a waiver of 42 CFR 438.10(c). The State needs to clarify whether it intends to comply with other requirements of 42 CFR 438.10.
    f. In its response to our question asking for a list and description of wheelchair providers, the State only listed the wheelchair van providers for eight counties. Please provide a complete list of wheelchair van providers.

g. On pages 10 and 11 of the application, the State listed in the chart the areas and the name and type of entity or program that the State will contract with. It appears that the chart is incomplete. Please provide a complete list of the type of program for each city/county/region listed.
h. We understand that Providence, Essex, and Narragansett are not cities/towns in Maine. Please revise the chart to indicate the correct city/town/region listed.
i. How many brokers participate in the program?

bcc (email signed copy):
Frances Crystal, Baltimore
Daniel McCarthy, Baltimore
Lynn DelVecchio
Rudy Naples
Bob Parris
Katie Holt
Chong Tieng

CMS:DMCHO:MPB:CTIENG:11/22/2010:ME1915bOPTIONLET.DOC
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