



FOR IMMEDIATE RELEASE
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Aging Advocates Respond to Non-Emergency Medical Transportation (NEMT) Audit

The **Wisconsin Aging Advocacy Network** is a collaborative group of individuals and associations working with and for Wisconsin's older adults to shape public policy to improve their quality of life.

Core member organizations:

Aging and Disability Professionals Association of Wisconsin (*ADPAW*)

Alzheimer's Association SE Wisconsin Chapter

Wisconsin Adult Day Services Association (*WADSA*)

Wisconsin Association of Area Agencies on Aging (*W4A*)

Wisconsin Association of Benefit Specialists (*WABS*)

Wisconsin Association of Nutrition Directors (*WAND*)

Wisconsin Association of Senior Centers (*WASC*)

Wisconsin Institute for Healthy Aging (*WIHA*)

(MADISON) - Aging Advocates thank State Auditor Joe Chrisman and the staff of the Legislative Audit Bureau for their review of the NEMT program. We understand the difficult nature of this task and appreciate their diligence in compiling data and conducting surveys.

Increased costs for recipients and the state

When individuals do not have access to Non-Emergency Medical Transportation, costs of their care can increase. The report indicates "...the potential negative effects on the health of certain recipients resulting from delays in receiving needed health care and the discontinuity of care for those with chronic health conditions could increase state's Medical Assistance costs."

The survey conducted by the LAB shows 6.8% of consumer respondents have stopped using the NEMT broker due to concerns with quality of service. If this percentage is extrapolated over the entire number of members who use NEMT, 69,300 recipients from August 2013 to June 2014, there may be as many as 4,700 members no longer using the NEMT broker. The broker still gets paid for these members on a per capita basis. Often, other public and private programs end up providing the transportation or medical care is not received. Taxpayers pay twice for the same service and healthcare suffers.

The audit indicates a concerning number of complaints and missed rides. Only three complaint-free months during August 2013- June 2014 were reported. There is a lack of third party oversight and reports of over 40% of individuals whose ride didn't arrive and 26.3% who made it to their appointment but were never picked up to return home. The report points out that under the terms of its contract with DHS, MTM is "solely responsible" for ensuring transportation is provided. We support efforts to develop plans to address "no-shows" and "no-vehicle available" in a way that recognizes errors can occur on either the provider or broker's side and to provide an avenue for providers to respond to any complaints or allegations.

Lack of cost savings for statewide program

The brokerage is an attempt to manage the NEMT benefit statewide, however Wisconsin still has multiple systems of MA reimbursement for NEMT leading to confusion and inefficiencies. DHS oversees the brokerage, reimbursements to nursing homes for transportation and Specialized Medical Vehicle (SMV) providers, as well as transportation through the Family Care program. The audit illustrates the difficulty of measuring outcomes and cost savings across systems.

The initial DHS goal for the brokerage was to reduce the costs of the NEMT program, however costs have not been contained. Since the implementation of the brokerage program, expenditures increased 23% over 4 years. This does not include the proposed cost to continue of \$14.4 million dollars over the biennium in the upcoming budget request.

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Effect on small businesses

Despite the rise in expenditures for this program, the reimbursement rate per mile decreased 4.7% for transportation providers working with the broker. These providers are small businesses and the backbone for transportation for everyone in the state who needs it. In comparison, Wisconsin Specialized Medical Vehicle (SMV) businesses have not seen rate increases since the early 90's and continue to provide NEMT transportation to those not in the brokerage. During this time, there has been a 75% loss of SMV providers in Wisconsin.

While the LAB recommendations are steps in improving elements of the system already in place, aging advocates maintain that a different model of brokerage will address the problems found during the audit in a longer-term, sustainable way that will improve customer satisfaction, financial sustainability and CMS compliance. A new brokerage model:

- Should have local accountability and control to better handle complaints and appeals,
- Be regional in nature to help control no-shows and build transportation provider networks suitable for each area. The report indicates recipients could benefit from an expanded network especially in rural areas like Bayfield, Florence and Iron Counties. Expansion does not happen without consistent and adequate trip volume which means coordination of multiple transportation funding sources that is currently not able to occur.
- Operate on a fee-for-service basis instead of a per capita payment structure to ensure cost savings are not at the expense of customer's health or on the backs of Wisconsin businesses. This will also ensure costs are not shifted to other taxpayer funded transportation programs.

NEMT is an important service provision for the health of many residents in our state. We encourage DHS to look beyond the recommendations in the report to a regional brokerage model for Wisconsin. We look forward to working with DHS to improve this program for the state, recipients, transportation providers and other stakeholders.

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