



The Hilltop Institute

analysis to advance the health of vulnerable populations

Maryland Medicaid Non-Emergency Medical Transportation Study

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Cheryl Powell

Transportation Association of Maryland
Annual Fall Conference



The Hilltop Institute was formerly the Center for Health Program Development and Management.

HB 235

- Passed in the 2008 Maryland legislature
- Department of Health and Mental Hygiene (DHMH) to study the creation of a uniform statewide non-emergency medical transportation (NEMT) program
- Required consultation with stakeholders
- Report due on October 1, 2008

Required Elements of the NEMT Study

- The feasibility of creating a uniform non-emergency statewide transportation program
- Any cost savings that might arise from the creation of a statewide program
- Any potential for quality improvement that would result from the creation of a statewide program
- The impact that creation of a statewide program would have on local health departments

Consultation

- To conduct the study, consulted with the appropriate stakeholders, including providers, consumers, and local jurisdictions
- Presented methodology at three meetings
 - NEMT Stakeholder Meeting
 - Maryland Medicaid Advisory Committee
 - Money Follows the Person Technical Advisory Group
- Accepted testimony and written comments

MARYLAND NEMT STUDY METHODOLOGY

Components of NEMT Study

- Review of current NEMT program
- Potential for cost savings –
 - Analysis of financial impact of the 1993 transition to the current county-level broker system
 - Transition to statewide or regional broker model
- Potential for quality improvement
- Evaluation of NEMT programs in other states
- Analysis of impact on local health departments

Data Collection

- Existing DHMH Data
- Survey of Other States
 - Cost Effectiveness of various models
 - Measures of quality and quality improvement
 - Impact on stakeholders
- Survey of Local Jurisdictions
 - Current and historical utilization, cost, and quality data
 - Interaction with other programs
 - Projected impact of change in current system

Review of Medicaid NEMT Services

- To/from Medicaid covered services
- For Medicaid enrollees to whom no other transportation is available
- To ensure necessary transportation for recipients to and from providers
- That is appropriate and the least expensive for the client
- To the nearest appropriate provider

Considerable Variation in Medicaid NEMT Programs

- State NEMT programs differ widely based on characteristics of states and state Medicaid programs
- Carved out of managed care vs. included in managed care capitation
- Reimbursement
 - Fee-for-service plus administrative fee
 - Capitation
- Models
 - State Medicaid agency
 - Transportation broker

States Reviewed

State	Carved Out of Managed Care?	Type of Broker Model	Number of Regions	Number of Brokers	When Broker System was Implemented	Annual NEMT Expenditures* (FY)
DC	No	Single Statewide	1	1	Oct 2007	\$16.3 (FY 06)
Virginia	No	Regional	7	1	2001	\$64 (FY 07)
Delaware	Yes	Single Statewide	1	1	2002	\$7 - \$8
Mississippi	Yes	Single Statewide	1	1	Nov 2006	\$28.8 (FY 06)
Utah**	Yes	Single Statewide	1	1	2002	N/A
Kentucky	Yes	Regional	12	7	1998	\$48.8 (FY 04)
Washington state	Yes	Regional	13	8	1989	\$58 (FY 05)

States Reviewed (con't)

State	Carved Out of Managed Care?	Type of Broker Model	Number of Regions	Number of Brokers	When Broker System was Implemented	Annual NEMT Expenditures* (FY)
Pennsylvania	Yes	County	67	66 county; 1 private	1983***	\$118 (FY 08)
Florida	For most MCO enrollees	State Commission contracts with regional brokers	55	N/A	2004	\$72 (FY 08)
Colorado	Yes	County and Regional	57	56 counties; 1 broker for the 8-county region	2006	\$7.1 (FY 07)
South Carolina	Yes	Regional	6	2	2007	\$44.8 (FY 07)

Based on Comments, Hilltop Expanded Review to Include:

- Additional states
 - Florida
 - South Carolina
- Review of feasibility studies
 - Iowa
 - Idaho
 - Wisconsin

MARYLAND NEMT STUDY FINDINGS

No overall compelling indication that Maryland would necessarily realize cost efficiencies and/or quality improvement by merely creating and implementing a different NEMT system

Overview of Findings

- Maryland's current NEMT program appears to be comparatively cost-effective
- Maryland currently assesses quality and has found relatively high levels of satisfaction through its measures, but may want to build additional elements into this program
- There would be a financial, human resource, and program coordination impact in all jurisdictions if Maryland made such a transition

Maryland's NEMT Program Is Relatively Cost-Effective

- By transitioning NEMT service provision to local jurisdictions in FY 1993, the Maryland Medicaid program already realized considerable savings
- Keep state variability in NEMT programs in mind while trying to compare across states
- NEMT costs as a percent of total Medicaid expenditures
- Cost per service comparison

Cost Effectiveness - Maryland

Historical Data and Trends

- Between FY 1988 and FY 1992, Maryland's NEMT expenditures increased 241%, from \$5.6 million to \$19.1 million
- Total NEMT costs decreased by 31.1%, from \$19.0 million in FY 1993 to \$13.1 million in FY 1994
- NEMT expenditures decreased further in FY 1995 to \$11.4 million
- Since FY 2000, the state has experienced an average growth rate of 10% for total NEMT expenditures and 6.8% for average cost per enrollee

Fiscal Year	Total Costs (In Millions)	Medicaid NEMT Eligible Average Monthly Enrollment	Average Cost per Enrollee	Annual Growth Rate Average Cost Per Enrollee	Annual Growth Rate Total Costs
1990	\$14.40	323,928	\$44.45		
1991	\$17.50	352,644	\$49.63	11.6%	21.5%
1992	\$19.10	393,599	\$48.53	-2.2%	9.1%
1993	\$19.00	415,464	\$45.73	-5.8%	-0.5%
1994	\$13.10	435,788	\$30.06	-34.3%	-31.1%
1995	\$11.40	451,394	\$25.26	-16.0%	-13.0%
1996	\$12.80	437,994	\$29.22	15.7%	12.3%
1997	\$12.70	433,074	\$29.33	0.3%	-0.8%
1998	\$13.60	426,960	\$31.85	8.6%	7.1%
1999	\$13.91	439,343	\$31.66	-0.6%	2.3%
2000	\$15.13	488,753	\$30.96	-2.2%	8.8%
2001	\$16.95	509,151	\$33.29	7.5%	12.0%
2002	\$19.35	545,880	\$35.45	6.5%	14.2%
2003	\$21.10	575,983	\$36.63	3.3%	9.0%
2004	\$21.97	584,440	\$37.59	2.6%	4.1%
2005	\$24.21	596,405	\$40.59	8.0%	10.2%
2006	\$25.30	603,233	\$41.94	3.3%	4.5%
2007	\$29.50	602,703	\$48.95	16.7%	16.6%

NEMT Program as a Percent of Medicaid Expenditures

- Maryland's NEMT program expenditures as a percent of Medicaid Expenditures is 0.5%
- In 2000, national survey was 1%
- Review of selected states in the study for more recent years – 0.8%

Comparison of NEMT Program Average Cost Per Trip in Selected States

State (FY)	Broker Model	Average Cost per Trip
Delaware (FY 07)	Single Statewide	\$13.20
District of Columbia (FY 06)	Single Statewide (FFS Enrollees)	\$38.21*
Florida (FY 07/08)	State Commission contracts with Regional Brokers	\$37.89
Maryland (FY 06)	County	\$34.54
Mississippi (FY 07)	Single Statewide	\$38.06
Washington (FY 05)	Regional	\$17.89

* Based on expenditures reported prior to NEMT broker program implementation

Maryland May Want to Consider Building Upon Current NEMT Quality Monitoring and Improvement Elements

- Transitioning to a new system would not necessarily improve quality
- Degree to which NEMT quality is monitored varies across states – variety of measures used
- The Maryland Medicaid program currently monitors quality through customer service surveys and complaints logs
- The agency may want to assess whether to add quality assurance and reporting elements

Maryland's Current Quality Assurance Efforts

- NEMT customer service survey – 86% of respondents NEMT program adequate and met their needs
- Maryland tracks and monitors complaints related to NEMT services across state, resolving issues and uses data as management tool to improve overall quality
- Several local jurisdictions reported additional quality measurement/improvement efforts
 - 13 reported conducting customer service surveys
 - Frequent contact with medical providers, riders, case managers
 - 5 jurisdictions reported conducting random spot checks
 - Review of utilization data in jurisdiction-level reports

Financial and Human Resource Impact on Jurisdictions

- Impact not uniform across counties due to variation in how counties provide NEMT
- 119 county-level staffing positions
- Funding for 85 FTEs
- \$5.6 million in total administrative funds
- May affect coordination with other county-level programs

Majority of Jurisdictions Concerned about Impact on Enrollees

- Loss of coordination of services, including with non-Medicaid transportation services and other county-level health or social service programs
- Other concerns
 - Familiarity with local geography
 - Knowledge of other local transportation programs
 - Ability to respond to weather-related emergencies
 - Familiarity with client needs
 - Impact on local economy

Conclusions

- A variety of models appear to be capable of successfully managing and providing NEMT services
- No overall compelling evidence that a new uniform, statewide model would necessarily improve cost-effectiveness or quality
- Optimal model for Maryland depends on the state's priorities and values

The Report & Contact Information

- The report may be found at
<http://www.hilltopinstitute.org/publications/legislativeStudies.cfm>
- Cheryl Powell
Senior Research Analyst
The Hilltop Institute
cpowell@hilltop.umbc.edu
410-455-6845

About The Hilltop Institute

The Hilltop Institute at the University of Maryland, Baltimore County (UMBC) is a nationally recognized research center dedicated to improving the health and social outcomes of vulnerable populations. Hilltop conducts research, analysis, and evaluation on behalf of government agencies, foundations, and other non-profit organizations at the national, state, and local levels.

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