Health Care and Transportation - Summer Policy News Round Up

September 2018

This past summer was a busy time in the health care transportation realm. From insurers, to providers, to The Centers for Medicare and Medicaid Services (CMS), there has been a clear increase in the interest in and acknowledgment of the role that transportation plays in individual and community health.

Below is a news roundup of some of the biggest updates in health care and transportation, and what they might mean for you:

The CMS Proposed Rule on Accountable Care Organizations (ACOs) Could Expand NEMT as an Incentive

The Medicare Shared Savings Program[1] was established in 2012 through Sec. 1899 of the Social Security Act. The program promotes the accountability of patients, fosters coordination of services under Medicare parts A and B, and encourages investment and redesigned care processes for higher quality and efficient health care delivery and care. This voluntary program encourages groups of doctors, hospitals, and other health care providers to come together to provide high quality coordinated care as an Accountable Care Organization. The goal of an ACO is to is to ensure that patients receive the right care at the right time, while avoiding unnecessary duplication of services and preventing medical errors. When an ACO is successful, it succeeds both in delivering high quality care and spending health care dollars more wisely. Shared Savings Program ACOs are an important innovation for encouraging health care payment systems to shift away from dependence on volume and towards paying for value and outcomes.

CMS recently proposed a rule to overhaul the Shared Savings Program.[2] Following the belief that patient engagement is an important part of motivating and encouraging more active participation by beneficiaries in their health care, the proposed rule includes the opportunity for ACO's to provide in-kind items, or services to beneficiaries. These incentives can only be provided if there is a reasonable connection between the items or services and the medical care of the beneficiary, and the items or services are preventive care items or services,

[1] See the Medicare Shared Savings Program website at https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharedsavingsprogram/ for information about the program, the program's statutory authority, regulations and guidance, the program's application process, participating ACOs, and program performance data.

[2] Read the proposed rule here: https://www.federalregister.gov/documents/2018/08/17/2018-17101/medicare-program-medicare-shared-savings-program-accountable-care-organizations-pathways-to-success

or advance a clinical goal of the beneficiary, including adherence to a treatment regime; adherence to a drug regime; adherence to a follow-up care plan; or management of a chronic disease or condition. In the rule's preamble, CMS explicitly identified transportation as a possible incentive to encourage patient engagement, promote care coordination, and achieve the overall objectives of the shared saving program – acknowledging and highlighting the role that transportation plays in access to care and overall health outcomes.

CMS's proposed rule, while targeting the Medicare Shared Savings Program, builds on the recent news that Medicare Advantage plans will be able to offer a wider range of health-related benefits like transportation. [3] These two changes in Medicare policy show a growing trend of our health care systems taking a greater interest in supporting social determinants of health. The chance to address social determinants of health within Medicare benefits will allow transportation providers the opportunity to partner even more dynamically around the health care sector.

CTAA Joins Letter Opposing Kentucky's Request to Eliminate Non-Emergency Medical Transportation for their Medicaid Expansion Population

In light of a federal judge preventing implementation of the Kentucky HEALTH Medicaid waiver, including its elimination of non-emergency medical transportation (NEMT) for the Medicaid expansion population, the federal government has re-opened the waiver for comment. In response, CTAA has signed onto a letter submitted to CMS opposing Kentucky's request to eliminate non-emergency medical transportation (NEMT) for the Medicaid expansion population.

To put the NEMT benefit into perspective, NEMT is utilized by only about 2- 4 percent[4] of all Medicaid enrollees and accounts for less than 1 percent of total Medicaid spending.[5] NEMT is reserved for members who have no other means of transportation to and from their medical appointments. Without NEMT, patients will be unable to access critical treatment, resulting in increased Medicaid expenditures for more expensive services such as catastrophic hospitalization or institutionalization.

In July, The Medicaid Transportation Access Coalition (MTAC) released the results of a first of its kind study to examine the return on investment of Non-Emergency Medical Transportation (NEMT).[6] The study uses Medicaid claims data and a survey of nearly 1,000 Medicaid beneficiaries to determine the ROI of NEMT for three common conditions and their corresponding treatments: dialysis for kidney disease, wound care for diabetes, and substance use disorder treatment. The study found that NEMT more than pays for itself as part of a care management strategy for people with chronic diseases, resulting in a total positive return on investment of over $40 million per month per 30,000 Medicaid beneficiaries. Further, medical costs for the average dialysis patient would increase by $4,140 per month if they lost their NEMT benefit and were unable to adhere to a course of

[3] The CTAA memo on what the Medicare Advantage Rule change could mean for community transportation is available here: http://web1.ctaa.org/webmodules/webarticles/articlefiles/Medicare_Advantage_Analysis_May_18.pdf

[4] MJ Simon and Company. "New Data Shows Targeted Utilization of Managed, Non-Emergency Medicaid Transportation Benefit by Beneficiaries with Chronic Care Needs". Retrieved July 26th 2018 at http://mjsimonandcompany.com/wp-content/uploads/NEMT-Benefit-Reserved-For-Those-in-Need.pdf

[5] According to a 2016 GAO report (GAO-16-238), NEMT spending in Medicaid totaled $1.5 billion in 2013. According to CMS, total Medicaid spending in 2013 was $445 billion.

[6] MTAC Study Methodology and Results are available here: https://mtaccoalition.org/wp-content/uploads/2018/07/NEMT-ROI-Methodology-Paper.pdf

treatment. The study also found that medical costs for the average diabetes-related wound care patient would increase by $1,084 per month without a NEMT benefit.

If a significant proportion of beneficiaries with common chronic conditions are unable to access health care without the provision of NEMT to manage their health—as the research strongly suggests— many have questioned whether the proposed elimination of NEMT fulfills all the objectives of the Medicaid program, including the provision of medical assistance to those that Congress intended to serve through the program. It is for these reasons, that CTAA continues to track and respond to attacks on the NEMT benefit from Kentucky and other states across the country.

Ohio Medicaid 1115 Waiver includes a request for federal match dollars to provide supportive services including transportation for individuals working to meet work and community engagement goals.

In late spring of this year, Ohio was added to the list of states that have submitted Medicaid 1115 waivers to include work requirements for certain Medicaid beneficiaries.[7] While the idea of work requirements is not new, Ohio takes an innovative approach towards these requirements in regards to the state's focus on the provision of supportive services to help eligible beneficiaries meet the work and community engagement goals.

Within the waiver, Ohio requests a federal match for these supportive services, and states that if there is no federal match given, the state would consider granting beneficiaries a good cause exemption of the work requirements. Ohio specifically identifies and calls out transportation as a critical supportive service for beneficiaries who are working to meeting the employment and community engagement requirements. To date, Ohio is the only state to submit an 1115 waiver including work requirement that is also requesting a federal match to provide supportive services such as transportation to help beneficiaries meet the work requirement.

Social Determinants are at the Core of North Carolina's Medicaid Overhaul

North Carolina's currently pending Medicaid 1115 waiver has the opportunity to place social determinants near the center of the state's proposed Medicaid overhaul. Depending on regulatory approval, the waiver will require the managed care organizations (MCOs) to screen every Medicaid beneficiary for access to food, stable housing and transportation once the state transitions to managed care [8] in 2019. This is just one of many changes to the state's system to address how social determinants of health are main drivers of health outcomes.

The pending waiver[9] includes a request for up to $800 million to run a series of regional pilot projects that will focus on engaging Medicaid beneficiaries and provide them with information, services, and benefits targeted to

[7] You can read Ohio's pending Medicaid 1115 waiver here: https://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/oh/oh-work-requirement-community-engagement-pa.pdf

[8] Managed Care is a health care delivery system organized to manage cost, utilization, and quality. Medicaid managed care provides for the delivery of Medicaid health benefits and additional services through contracted arrangements between state Medicaid agencies and managed care organizations (MCOs) that accept a set per member per month (capitation) payment for these services. (Definition taken from: https://www.medicaid.gov/medicaid/managed-care/index.html)

[9] North Carolina's Pending 1115 Wavier can be read here: https://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/nc/nc-medicaid-reform-pa2.pdf

measurably improve their health while lowering costs. The waiver specifically calls out transportation as one of four social determinants of health that will be targeted in these pilots.

In the meantime, the State's Department of Health and Human Services has already developed a standardized tool that physicians or case managers would use to screen patients for the status of their social determinants of health. The Department is piloting the tool in 40 to 50 different settings.[10] In addition to screenings, the state is building a resource platform so once a need is identified, providers can connect the patient to local organizations that can help. The platform is expected to be rolled out across North Carolina over the next few years, and will be free for users. It will also track if the patient used the referred service and allow for follow up If they did not. Currently funding for the platform is paid for by donations from state health system, insurers, and foundations.

For transportation providers, the resource platform is an exciting opportunity to integrate local transportation and other services with health care. By coordinating referrals and tracking use of services, transportation providers may be able to improve cross sector communication with health care and help health care providers better understand the value of the services provided by local transit. States and health industry leaders want to move the needle, but are looking for solutions that are as efficient and cost effective as possible. The transportation industry has an opportunity to work with our partners in health care to show the valuable impact local services can have on health outcomes and access to care.

So, What Does This Mean for Transit?

From highlights in The New York Times, to making waves as a part of the Kentucky HEALTH Lawsuit, transportation and its intersection with health care is becoming a larger piece of the wider discussion in both the health care and transportation sector. And based on the number of new pilots, partnerships, and reports, being released it only seems to be an issue that will continue to gain traction. As transportation providers, this is an exciting opportunity to use this discussion to leverage new partnerships, add your voice to the conversation, and learn from other communities about new and innovative ideas in the realm of health care transportation.

Interesting NEMT Links

- Ford GoRide Will Give Detroiters Rides to their Doctors
- Healthcare Ridesharing Makes Inroads in Lost Revenue
- NEMT Technology Solutions Landscape
- Companies Respond to an Urgent Healthcare Need: Transportation
- Lyft, Hitch Health NEMT Pilot Reduced No-Shows by 27%
- Costs Fell by 11% When Payor Addressed Social Determinants of Health

[10] Read more about North Carolina's Medicaid Waiver here: http://www.modernhealthcare.com/article/20180803/TRANSFORMATION01/180809944