

**CONCLUSION:** The NET program provides non-emergency transportation for Medicaid beneficiaries to and from covered medical services, as required by federal law. From February 2019 to February 2022, NET averaged 5,199 utilizers per month and 141,714 non-utilizers per month, a 3.5% utilization rate. Non-utilizers comprised 91.5% of NET costs compared to utilizers comprising 8.5% of NET costs over the period from February 2019 to February 2022. MTM reported 58% of total NET trips for CY 2021 was related to dialysis appointments.



## BACKGROUND

MISS. CODE ANN. § 43-13-117 (1972) requires the PEER Committee to conduct a performance evaluation of the Division of Medicaid's (DOM) non-emergency transportation (NET) program to evaluate the administration of the program and the providers of transportation services to the program's patients.

Medicaid provides transportation assistance to eligible Medicaid beneficiaries for travel to and from scheduled medical appointments when there are no other means of getting to and/or from the appointment (e.g., person does not own or have access to a vehicle).

States may choose which delivery model to utilize to deliver NET services. Mississippi uses a private brokerage model. Medical Transportation Management, Inc., (MTM) has served as the state's NET broker for Medicaid fee-for-service beneficiaries since 2013.

The NET program offers multiple types of transportation modes, with vehicles that can accommodate any type of accessibility assistance beneficiaries may need (e.g., wheelchair access, ambulances with medical staff).

MTM reported 58% of total NET trips for CY 2021 were related to dialysis appointments.



## KEY FINDINGS

- **In 2018, DOM switched to a utilization-based contract, but this contract did not result in any direct cost savings.**  
Because of DOM's scoring method for the 2018 invitation for bid, including how DOM weighted bid proposals and the lack of a cost cap for non-utilizer costs, the contract did not result in any direct cost savings.
  - Average NET costs from Feb. 2019 to June 2020: \$3,023,540
  - Average NET costs from Feb. 2019 to Feb. 2022: \$3,557,164
- **Though the number of eligible NET beneficiaries increased, NET utilization has declined since 2019.**  
Despite an increase in the number of eligible NET beneficiaries from 124,040 in July 2020 to 308,577 in May 2022, NET utilization declined from 5,925 (from February 2019 to June 2020) to 4,583 (from July 2020 to February 2022).
- **In 2021, DOM negotiated with MTM to reduce the price per non-utilizer from \$25 to \$21.**  
This renegotiation reduced the cost cap through September 30, 2023, from \$169,358,094 to \$156,720,628.
- **DOM suspended payment to MTM in January 2022 to avoid exceeding the cost cap in place through September 2022.**  
DOM has paid \$119.9 million toward the \$125.0 million cost cap in place through September 30, 2022. If DOM reaches the cost cap, MTM must continue providing NET services.

## KEY FINDINGS (continued)

- **After not assessing liquidated damages in 2020 due to COVID-19, DOM assessed \$1,027,750 in liquidated damages against MTM between January 2021 and May 2022.**

Over 60% of the liquidated damages pertained to late pickups from the home, medical provider, or hospital discharge. The next largest category (25%) pertained to instances in which MTM did not immediately move an ineligible driver or vehicle from service.

- **MTM migrated to Reveal, a new scheduling, routing, and dispatching system, in the fall of 2021.**

This new system has resulted in operational issues that impact the scheduling and provision of NET services (e.g., dispatching the wrong mode of transit, trip cancellations prior to beneficiary transport, address errors). DOM and MTM have established an operational council consisting of MTM, DOM, and four NET providers to meet weekly to work through such operational issues.

### New Laws

1. Congress passed the Consolidated Appropriations Act of 2021, requiring states to assure necessary transportation for Medicaid beneficiaries to and from covered services.
2. The Legislature passed Senate Bill 2739, 2022 Legislative Session, establishing a permitting process and regulations for all NET providers (e.g., Medicaid NET as well as long-term residential, workers compensation, and rehab services). The permitting process and regulations are implemented by the Mississippi State Department of Health (MSDH). All NET providers must obtain a permit by July 1, 2023, or cease service.

### Driver/Vehicle Credentialing

DOM reported MTM has removed 156 drivers and 277 vehicles from the NET program since January 2020, utilizing criteria specified in the Mississippi Administrative Code.

NET drivers and NET vehicles must be approved prior to commencing service. NET drivers must be re-credentialed every 12 months. NET vehicles must pass inspection at least every six months.

As a result of COVID-19 and the Families First Coronavirus Response Act, the number of non-utilizers increased. Non-utilizers comprised 91.5% of NET costs (compared to utilizers comprising 8.5%) over the period from February 2019 to February 2022.

When procuring a new vendor for the 2023 NET contract, the Division of Medicaid should:

- consider altering the payment methodology to more align with services provided;
- address gaps in areas covered by liquidated damages;
- add a clause to permit the assessment of punitive damages;
- amend the beneficiary satisfaction survey process;
- add a method to obtain formal feedback from non-utilizers; and,
- add a method to obtain formal feedback from NET providers.