THE ROAD TO COORDINATION

Vickie S. Bourne, Executive Director
Kentucky Transportation Cabinet
Office of Transportation Delivery (OTD)
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Before Coordination

• Non-Emergency Medical Transportation Voucher System
  – Understaffed State case workers in each county issued voucher for Transportation
  – Medicaid had Thousands of Contracts
  – Delay in Payments to Providers
  – 1996 Actuarial Study Report predicted cost would be over $60 million by 2002
Before Coordination

- Fraud & Abuse of Non-Emergency Medicaid Transportation
  - Billings for excessive mileage
  - Ineligible trips
  - No Recipient nor Provider Accountability
- Escalating Costs
- No Safety Standards
- Resource Inefficiency
  - Administrative
  - Operational
- Need for Greater Mobility
Stakeholder Input

- External Stakeholder
  - Transportation Providers
  - Medical Providers
  - Recipient Notices

- Internal Stakeholder
  - Case Workers & Other State Employees
  - Legislators
Why did we Unite?

Executive Summary

Vision Summary

Yesterday

- Duplicate planning, rate setting
- Numerous Contracts
- Excessive time spent by caseworkers to manage transportation vendors
- Thousands of providers based on number of reimbursement trips promotes excessive and costly numbers of trips

Today

- Single entity coordinates planning and rate setting, manage vendor
- One vendor per region coordinates transportation delivery for multiple programs
- Reimbursement based on caseloads contains costs
KY Human Service Transportation Delivery (HSTD)

• Kentucky General Assembly Authorizes Program
  – Established Geographical HSTD Regions
  – Determines Transportation as lead to administer HSTD Programs
  – Authorized Under existing Transportation Laws & Regulations
KY Human Service Transportation Delivery

Inter-agency Decision Making Body
Coordinated Transportation Advisory Council (CTAC)

– Authority by KY Statute
– Open to Public
– Voting members
  • Health and Families Cabinet
  • Workforce Development
  • Transportation
– Meets Monthly
– Oversees
  • Progress
  • Program Issues
  • Policy
KY Human Service Transportation Delivery

Executive Quality Management Council (EQMC)

- Meets Monthly
- Between Cabinets
  - Draft Policy
  - Take issues to CTAC
  - Develop Quality Improvement Plan
“Kentucky Takes the Lead”

Coordinating human funding resources to deliver coordinated service programs is also paying dividends.

“In Kentucky, a single coordinated Human Service Transportation fund from among several state administered human service programs was established. The model established a series of transportation Brokers throughout the state whose job it was to secure the most cost effective transportation delivery for the human service clients of the various programs involved.”

Source: United We Ride “A Framework for Action: Building the Fully Coordinated Transportation System”
Goals of KY HSTD

• Accessibility
• Timeliness
• Safety
• Provider/Recipient Accountability
• Customer Satisfaction
• Cost
Submittals by Each Broker to KY Transportation Cabinet

Broker Accountability

• Encounter Trip Data
• Complaint Tracking
• Phone Report
• Financial Line Item Budget

• Peer to Peer Review
  – Eliminate Fraud or Abuse
Peer to Peer Review
KY Human Service Transportation Delivery

Customer Satisfaction

– 1-800 Line (State & Regional Level)

– Complaint Tracking (State & Regional Level)

– Monthly Rider & Phone Surveys

– Legislative Research Committee - 2003
  • 88% Customer Satisfaction
How the Dollars Flow

- 1996 – Began Framework for Coordination
- 1998 – First Broker
- 2004 – Statewide fully operational

Agreements
- Annual Agreements between Partners/Transportation Cabinet
- Transportation Cabinet with Finance Cabinet
  - Annual Agreements with Transportation Broker
- Transportation Broker
  - Agreement Subcontractor
Different Programs/ Different Funding Sources/ Different Payment Mechanisms

• United into a KY Coordinated Human Service Transportation Delivery Program.

• Public Transit - Fare
• Workforce – Fee
  • Dept Blind
  • Voc Rehab
• Medicaid - Capitated
KY Capitated System of Non-Emergency Medical Transportation

Incentives under a Capitated System

• A set rate is an incentive to reduce cost for the brokers
  – Reduce Fraud & Abuse
  – Check eligibility of person & trips
  – Coordinate Services & grouping riders
KY Capitated System of Non-Emergency Medical Transportation

- Capitated Payment System (PMPM)
  - Each Broker receives a payment for each Medicaid recipient in their region \((x)\) Cap Rate
  - Capitated payment is a flat rate payment received at the end of the service month after expenses incurred.
    - Count differs \((\uparrow \downarrow)\) each month
    - Count \((x)\) Cap Rate = Payment
      - Regardless of number of trips
      - Regardless of cost of trips
Subcontractor Rates / Based Cost of Trips

• Established and reviewed by Transportation Cabinet

• Paid once a month by Law
  – 3 days after KYTC pays Broker
  – Old voucher system was 6-8 months
Factors Affecting Costs

• 72 Hour Notice
• Freedom of Choice
• State Program Coordinators/Transportation Specialist
  – 800 line/Complaints/Denials
• Urgent Care
• Waiver Programs - ADC / SCL
• Bus Passes
• Private Autos
Transportation Medicaid Specialist
The Transit Cooperative Research Program report, #91 completed in 2003 referred to and praised Kentucky’s HSTD Program many times.

“ If 10 of the 50 states were to implement a program such as that being created in Kentucky, annual benefits to the Medicaid Program could reach 100 million per year.”
Coordination STATS

2,706,851 NEMT Trips
- Type 01 – 12,699
- Type 02 – 669,718
- Type 03 – 46,102
- Type 04 – 882,833
- Type 07 – 567,306
- Type 08 – 528,193

$52 million

147 Complaints
32.5 Million Miles
Studies of HSTD Program

- 1996 Acturial Study
- 1999 LRC Review
- 1999 UK Review / Best Practices
- 2001 Acturial Study
- 2003 LRC Review
- 2005 CMS Audit
**Bottom Line**

- **Save Cost/ Cost Containment**
- **Eliminate Fraud & Abuse**
- **Safer Transportation & Better Quality Service**
  - Vehicle Inspections
  - Drug and Alcohol Testing
  - Driver Background checks
- **Better Use of Resources**
  - Dollar
  - Infrastructure
“United We Ride”