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State/Territory Name: Indiana

State Plan Amendment (SPA) #: 18-0004 NEMT Broker

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages



May 24, 2018

Shane Hatchett, Acting Medicaid Director
Family and Social Services Administration
402 West Washington, Room W461
Indianapolis, IN 46204

ATTN: Kelly Flynn

RE: Transmittal Number (TN) 18-0004

Dear Mr. Hatchett:

Enclosed for your records is an approved copy of the following state plan amendment.

TN 18-0004:

- This state plan amendment allows for the utilization of non-emergency medical transportation (NEMT) broker for the fee-for-service population effective January 1, 2018. The NEMT broker will receive a capitated monthly all-inclusive rate to service all fee for service members. The amendment also allows for the reimbursement of meals and lodging.
- Effective Date: January 1, 2018
- Approval Date: May 24, 2018

If you have any questions, please have a member of your staff contact Jennifer Maslowski at 217-492-4120 or by email at Jennifer.Maslowski@cms.hhs.gov.

Sincerely,

/s/

Ruth A. Hughes
Associate Regional Administrator
Division of Medicaid and Children's Health Operations

Enclosure

cc: Kelly Flynn, OMPP

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
18-004

2. STATE
Indiana

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 1, 2018

5. TYPE OF PLAN MATERIAL (Check One):

- NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:
42 CFR 440.390

7. FEDERAL BUDGET IMPACT:
a. FFY 2018 \$2,166,996
b. FFY 2019 \$2,936,692

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-A, Pages 9, 9a, 9b, 9c, 9d, 9e
Attachment 4.19-B, Page 5
Attachment 3.1-D, Page 1

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Attachment 3.1-A, Page 9
Attachment 4.19-B, Page 5
Attachment 3.1-D, Page 1

10. SUBJECT OF AMENDMENT: This State Plan amendment allows for the utilization of a non-emergency medical transportation (NEMT) broker for the fee-for-service population effective January 1, 2018. The NEMT broker will receive a capitated monthly all-inclusive rate to service all fee-for-service members. The State Plan amendment also allows for the reimbursement of meals and lodging.

11. GOVERNOR'S REVIEW (Check One):

- GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

**Indiana's Medicaid State Plan does not require the
Governor's review. See Section 7.4 of the State Plan**

12. SIGNATURE OF STATE AGENCY OFFICIAL:

[Redacted Signature]

13. TYPED NAME: Allison Taylor

14. TITLE: Medicaid Director

15. DATE SUBMITTED: 2.23.18

16. RETURN TO:

Allison Taylor
Medicaid Director
Indiana Office of Medicaid Policy and Planning
402 West Washington Street, Room W374
Indianapolis, IN 46204
ATTN: Tim Hawkins, Federal Relations Lead

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
February 23, 2018

18. DATE APPROVED:
May 24, 2018

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
January 1, 2018

20. SIGNATURE OF REGIONAL OFFICIAL:
/s/

21. TYPED NAME:
Ruth A. Hughes

22. TITLE:
Associate Regional Administrator

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

State/Territory: Indiana

SECTION 3 – SERVICES: GENERAL PROVISIONS

3.1 **Amount, Duration, and Scope of Services**

Medicaid is provided in accordance with the requirements of sections 1902(a), 1902(e), 1903(i), 1905(a), 1905(p), 1905(r), 1905(s), 1906, 1915, 1916, 1920, 1925, 1929, and 1933 of the Act; section 245(A)(h) of the Immigration and Nationality Act; and 42 CFR Parts 431, 440, 441, 442, and 483.

A. **Categorically Needy**

24. **Any other medical care, and any other type of remedial care recognized under State law, specified by the Secretary in accordance with section 1905(a)(28) of the Social Security Act and 42 CFR 440.170.**

- Non-emergency transportation is provided in accordance with 42 CFR §431.53 as an administrative Service.
 - Without limitations
 - With limitations (Describe limitations in a Supplement to 3.1A either a Supplement or in Attachment 3.1D)
- Non-emergency transportation is provided without a broker in accordance with 42 CFR §440.170 as an optional medical service, excluding “school-based” transportation.
 - Without limitations
 - With limitations (Describe limitations in either a Supplement to 3.1A or in Attachment 3.1D)

(If non-emergency transportation is provided without a broker as an optional medical service or as an administrative service, **the state should describe in Attachment 3.1D how the transportation program operates** including types of transportation and transportation related services provided and any limitations. Describe emergency and non-emergency transportation services separately. Include any interagency or cooperative agreements with other Agencies or programs.)

- Non-emergency transportation is provided through a brokerage program as an optional medical service in accordance with 1902(a)(70) of the Social Security Act and 42 CFR 440.170(a)(4).
- The State assures it has established a non-emergency medical transportation program in accordance with 1902(a)(70) of the Social Security Act in order to more cost-effectively provide transportation, and can document, upon request from CMS, that the transportation broker was procured in compliance with the requirements of 45 CFR 92.36 (b)-(i).
 - (1) The State will operate the broker program without regard to the requirements of the following paragraphs of section 1902(a);
 - (1) state-wideness (Please indicate the areas of State that are covered by the broker. If the State chooses to contract with more than one broker the State must provide a separate preprint for each broker)
 - (10)(B) comparability

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Supersedes TN# 01-015

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(23) freedom of choice

(2) Transportation services provided will include:

- wheelchair van
- taxi
- stretcher car
- bus passes
- tickets
- secured transportation
- other transportation (if checked describe below other types of transportation provided.) - **Volunteers**

(3) The State assures that transportation services will be provided under a contract with a broker who:

(i) is selected through a competitive bidding process based on the State’s evaluation of the broker’s experience, performance, references, resources, qualifications, and costs:

(ii) has oversight procedures to monitor beneficiary access and complaints and ensures that transportation is timely and transport personnel are licensed qualified, competent and courteous:

(iii) is subject to regular auditing and oversight by the State in order to ensure the quality and timeliness of the transportation services provided and the adequacy of beneficiary access to medical care and services:

(iv) complies with such requirements related to prohibitions on referrals and conflict of interest as the Secretary shall establish (based on prohibitions on physician referrals under Section 1877 and such other prohibitions and requirements as the Secretary determines to be appropriate.)

(4) The broker contract will provide transportation to the following categorically needy mandatory populations:

- Low-income families with children (section 1931)
- Deemed AFDC-related eligibles
- Poverty-level related pregnant women
- Poverty-level infants
- Poverty-level children 1 through 5
- Poverty-level children 6 – 18
- Qualified pregnant women AFDC – related
- Qualified children AFDC – related
- IV-E foster care and adoption assistance children
- TMA recipients (due to employment) (section 1925)
- TMA recipients (due to child support)
- SSI recipients
- Individuals eligible under 1902(a)(10)(A)(i)- new eligibility group VIII (very-low income adults who are not otherwise eligible under any other mandatory eligibility group) – Becomes effective January 1, 2014, but states can elect to cover now as an early option.

(5) The broker contract will provide transportation to the following categorically needy optional populations:

- Optional poverty-level - related pregnant women
- Optional poverty-level - related infants
- Optional targeted low income children
- Non IV-E children who are under State adoption assistance agreements
- Non IV-E independent foster care adolescents who were in foster care on their 18th birthday
- Individuals who meet income and resource requirements of AFDC or SSI
- Individuals who would meet the income & resource requirements of AFDC if child care costs were paid from earnings rather than by a State agency
- Individuals who would be eligible for AFDC if State plan had been as broad as allowed under Federal law
- Children aged 15-20 who meet AFDC income and resource requirements
- Individuals who would be eligible for AFDC or SSI if they were not in a medical institution
- Individuals infected with TB
- Individuals screened for breast or cervical cancer by CDC program
- Individuals receiving COBRA continuation benefits
- Individuals in special income level group, in a medical institution for at least 30 consecutive days, with gross income not exceeding 300% of SSI income standard
- Individuals receiving home and community based waiver services who would only be eligible under State plan if in a medical institution (please note that the broker may only provide transportation to and from 1905(a) services)
- Individuals terminally ill if in a medical institution and will receive hospice care
- Individuals aged or disabled with income not above 100% FPL
- Individuals receiving only an optional State supplement in a 209(b) State
- Individuals working disabled who buy into Medicaid (BBA working disabled group)
- Employed medically improved individuals who buy into Medicaid under TWWIA Medical Improvement Group
- Individuals disabled age 18 or younger who would require an institutional level of care (TEFRA 134 kids).

Any beneficiary enrolled in fee-for-service who is also eligible for transportation coverage will have his or her non-emergency transportation arranged through a broker.

(6) Payment Methodology

(A) Please describe the methodology used by the State to pay the broker:

The broker receives a fixed monthly risk-based capitated payment for all FFS members. This all-inclusive rate will cover all costs associated with the contract. The capitated rate may be adjusted on an annual basis.

(B) Please describe how the transportation provider will be paid:

The broker maintains a network of providers and is responsible for direct payments to providers.

(C) What is the source of the non-Federal share of the transportation payments?

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Describe below the source of the non-Federal share of the transportation payments proposed under the State plan amendment. If more than one source exists to fund the non-Federal share of the transportation payment, please separately identify each source of non-Federal share funding.

State General Assembly funding

- (D) The State assures that no agreement (contractual or otherwise) exists between the State or any form of local government and the transportation broker to return or redirect any of the Medicaid payment to the State or form of local government (directly or indirectly). This assurance is not intended to interfere with the ability of a transportation broker to contract for transportation services at a lesser rate and credit any savings to the program.
- (E) The State assures that payments proposed under this State plan amendment will be made directly to transportation providers and that the transportation provider payments are fully retained by the transportation providers and no agreement (contractual or otherwise) exists between the State or local government and the transportation provider to return or redirect any of the Medicaid payment to the State or form of local government (directly or indirectly).
- (F) The State has included Federal Medicaid matching funds as State match when drawing down FTA SAFETEA-LU grants.
- (7) The broker is a non-governmental entity:
 - The broker is not itself a provider of transportation nor does it refer to or subcontract with any entity with which it has a prohibited financial relationship as described at 42 CFR 440.170(4)(ii).
 - The broker is itself a provider of transportation or subcontracts with or refers to an entity with which it has a prohibited financial relationship and:
 - Transportation is provided in a rural area as defined at 42 CFR 412.62(f) and there is no other available Medicaid participating provider or other provider determined by the State to be qualified except the non-governmental broker.
 - Transportation is so specialized that there is no other available Medicaid participating provider or other provider determined by the State to be qualified except the non-governmental broker
 - The availability of other non-governmental Medicaid participating providers or other Providers determined by the State to be qualified is insufficient to meet the need for transportation.
- (8) The broker is a governmental entity and provides transportation itself or refers to or subcontracts with another governmental entity for transportation. The governmental broker will:
 - Maintain an accounting system such that all funds allocated to the Medicaid brokerage program and all costs charged to the Medicaid brokerage will be completely separate from any other program.
 - Document that with respect to each individual beneficiary's specific transportation needs, the government provider is the most appropriate and lowest cost alternative.

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Document that the Medicaid program is paying no more for fixed route public transportation than the rate charged to the general public and no more for public para-transit services than the amount charged to other human services agencies for the same service.

(9) Please provide a complete description of how the NEMT brokerage program operates. Include all services provided by the broker (call center, over-sight of providers, etc.). If applicable, describe any transportation services that will not be provided by the broker and how these services will be provided

The FSSA contracts with a single broker for the administration of the Non-Emergency Medical Transportation program for the FFS population. The broker is responsible for the following activities:

- **Ensuring that members seeking NEMT services are eligible for Indiana Medicaid services**
 - **Ensuring that non-emergency transportation providers are first enrolled as Indiana Health Coverage Programs (IHCP) providers.**
 - **Recruiting, maintaining, and continuously improving a network of local qualified transportation providers, which is available statewide. This network includes, but is not limited to, specialized motor vehicles, common vehicles, taxis, and public transit.**
 - **Scheduling recurring trips, one-time trips, advance reservations, hospital and emergency room discharges, trip which require prior authorization, and requests for urgent trips.**
 - **Determining the appropriate mode of transportation to meet a member’s medical needs, including any special transport requirements for medically fragile or physically/mentally challenges members or long-distance travel requirements.**
 - **Seeking and confirming any prior authorization requirements in accordance with state and federal requirements.**
 - **Responding to telephone and written inquiries from members, their representatives, health care providers, non-emergency transportation providers, and other stakeholders.**
 - **Assisting the state with ongoing program operations, policy and procedures development and review, monthly status meetings with FSSA and related contractors, and a monthly quality improvement committee.**
 - **Tracking and resolving quality issues and any other issues as identified within the state’s quality strategy, as appropriate.**
 - **Monitoring and controlling fraud, waste, and abuse from transportation providers.**
- Services provided in Religious Nonmedical Health Care Institutions.

Provided No Limitations With Limitations* Not Provided

Reserved

Nursing facility services for patients under 21 years of age

Provided No Limitations With Limitations* Not Provided

Services provided in Religious Nonmedical Health Care Institutions.

Provided No Limitations With Limitations* Not Provided

Emergency hospital services

Provided No Limitations With Limitations* Not Provided

Personal care services in recipient’s home, prescribed in accordance with a plan of treatment and provided by a qualified person under supervision of a registered nurse

Provided No Limitations With Limitations* Not Provided

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Transportation

Payment will be based upon the lower of the provider's submitted charge or the fee schedule rate established by the State for the service billed. Base rate is defined as the allowed payment amount for a one-way trip, not including mileage. Mileage payments are made for loaded miles, defined as the number of miles the Medicaid member is transported in the vehicle. Reimbursement for covered transportation services will be as follows:

Non-emergency Ground Transportation:

A non-emergency medical transportation (NEMT) broker is reimbursed a monthly capitated payment for each Indiana Medicaid FFS member.

Meals and Lodging: Meals and lodging reimbursement is based on the rate established by the Indiana State Legislature paid to Indiana state employees for travel-related expenses.

Ambulance Transportation:

Ambulance Services: Loading fee + per mile rate for each loaded mile of the trip.

STATE PLAN UNDER XIX OF THE SOCIAL SECURITY ACT

State of Indiana

METHODS OF PROVIDING TRANSPORTATION

Transportation to and from an Indiana Medicaid covered service is provided as an optional service under this State Plan by the following methods:

- When transportation is unavailable from a non-Medicaid reimbursed source, with the exception of Medicaid payments for family member mileage, Indiana Medicaid reimburses Medicaid-enrolled vendors for the least expensive type of emergency and non-emergency transportation available that meets the medical needs of the recipient.
- Transportation reimbursement includes the cost of meals and lodging en route to and from medical care and while receiving medical care, and the cost of an attendant to accompany the beneficiary, if necessary, and the cost of the attendant's transportation, meals, lodging, and, if the attendant is not a member of the beneficiary's family, a salary.
- Indiana Medicaid reimburses up to a maximum of twenty one-way trips (of less than 50 miles) per recipient per rolling twelve month time period.
- Prior authorization is required for the following transportation services:
 - Trips exceeding 20 one-way trips per member, per rolling 12-month period
 - Trips of 50 miles or more one-way, including all costs associated with the trip
 - Interstate transportation or transportation services rendered by a provider located out-of-state in a non-designated area
 - Train services
 - Bus services for trips of 50 miles or more one-way
 - Airline or air ambulance services
- The following transportation services are exempt from prior authorization and do not count towards the limitation of twenty one-way trips per recipient per rolling twelve month period:
 - Emergency transportation services
 - Transportation for hospital admissions or discharges
 - Transportation for recipients on renal dialysis
 - Transportation for recipients residing in nursing homes
- An NEMT broker is responsible for the administration of non-emergency transportation for all fee-for-service members eligible for transportation services.

- Members enrolled in risk-based managed care receive non-emergency transportation through an NEMT broker contracted with the managed care entity.
- Family members enrolled as transportation providers are eligible for reimbursement for mileage only. The local county office of the Division of Family Resources (DFR) in which the member resides must authorize all family member transportation. This benefit is provided as an administrative service.