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**State/Territory: Indiana**

**State Plan Amendment (SPA)#: 20-009**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

**DEPARTMENT OF HEALTH & HUMAN SERVICES**  
Centers for Medicare & Medicaid Services  
601 E. 12th St., Room 355  
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

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November 19, 2020

Allison Taylor, Medicaid Director  
Family and Social Services Administration  
402 W. Washington, Room W374  
Indianapolis, IN 46204

RE: Transmittal Number (TN) 20-009

Dear Ms. Taylor:

Enclosed for your records is an approved copy of the following State Plan Amendment (SPA):

- SPA TN 20-009: - Non-Emergency Medical Transportation (NEMT)
- Effective Date: August 1, 2020
  - Approval date: November 18, 2020

If you have any questions, please have a member of your staff contact Mai Le-Yuen at (312) 353-2853 or by email at [mai.le-yuen@cms.hhs.gov](mailto:mai.le-yuen@cms.hhs.gov).

Sincerely,

A solid black rectangular box redacting the signature of James G. Scott.

Digitally signed by James G. Scott  
-S  
Date: 2020.11.19 16:31:00 -06'00'

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Division of Program Operations

Enclosure

cc: Sara Albertson, FSSA

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER 20-009	2. STATE Indiana
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
4. PROPOSED EFFECTIVE DATE August 1, 2020	

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE & MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

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 ( <i>in thousands</i> ) : a. FFY 2020 \$ 0.00 b. FFY 2021 \$ 0.00
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 3.1-A Pages 9a, 9a-1, 9b, 9c, 9c-1, 9d Attachment 3.1-D Page 1-2 Attachment 4.19-B Page 5	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ) Attachment 3.1-A Pages 9a, 9b, 9c, 9d Attachment 3.1-D Page 1-2 Attachment 4.19-B Page 5

**SUBJECT OF AMENDMENT:** This State Plan Amendment encompasses reimbursement provisions and programmatic adjustments related to nonemergency medical transportation (NEMT) for Traditional Medicaid beneficiaries. This State Plan Amendment removes the cap of twenty one way trips per rolling twelve month time period; adds gas reimbursement for family members or close associates as a reimbursable mode of transportation; removes trips exceeding 20 one-way trips and trips of 50 miles or more one way from the prior authorization requirements; adds all out of state pick up and destination locations (except those in designated sister cities) to prior authorization requirements; and updates the commercial ambulatory services rate to add mileage based on the most efficient route. This state plan amendment also invokes an exception to allow a non-governmental broker to provide transportation.

10. GOVERNOR'S REVIEW (*Check One*)

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


**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 	16. RETURN TO: Allison Taylor Medicaid Director Indiana Office of Medicaid Policy and Planning 402 West Washington Street, Room W461 Indianapolis, IN 46204 ATTN: Gabrielle Koenig, Government Affairs Director
13. TYPED NAME: Allison Taylor	
14. TITLE: Medicaid Director	
15. DATE SUBMITTED April 9, 2020	

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED April 9, 2020	18. DATE APPROVED November 18, 2020
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**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL August 1, 2020	20. SIGNATURE OF REGIONAL OFFICIAL  Digitally signed by James G. Scott -S Date: 2020.11.19 16:33:09 -06'00'
21. TYPED NAME James G. Scott	22. TITLE Director, Division of Program Operations

23. REMARKS

(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, gas reimbursement for family members and close associates**

(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.) The broker shall not itself be a provider of transportation; however the state may require that the broker own/operate and have available vehicles referred to as “quick response vehicles” in the event the scheduled transportation provider is unavailable for transport or if there are no other qualified providers available to provide the transportation. The state acknowledges that the broker will use quick response vehicles only as a back-up measure to assure that beneficiaries are able to access medical service and not as a standard means of transportation. Usage of quick response vehicles are limited to selected counties. The State of Indiana discusses provider network weekly with SET to monitor the situation and to work on solutioning the gaps in the network. These meetings will continue until all QRVs would be retired.

(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 18<sup>th</sup> 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 TWWIIA 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?

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-government 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. QRVs will operate in the following counties: Allen, Bartholomew, Blackford, Boone, Clark, Clay, Dearborn, Decatur, Delaware, Elkhart, Fayette, Floyd, Franklin, Grant, Greene, Hamilton, Hancock, Harrison, Hendricks, Henry, Howard, Huntington, Jackson, Jefferson, Jennings, Johnson, Knox, Kosciusko, La Porte, LaGrange, Lake, Lawrence, Madison, Marion, Marshall, Monroe, Morgan, Noble, Ohio, Orange, Owen, Porter, Posey, Putnam, Ripley, Rush, Scott, Shelby, St. Joseph, Starke, Vanderburgh, Vermillion, Vigo, Wabash, Warrick, Washington, Wayne, Wells

- (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.



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.**
- **Reimbursing claims for services rendered.**
- **Determining payment based on the least expensive mode and the shortest, most efficient route.**
- **Monitoring and controlling fraud, waste, and abuse from transportation providers.**

**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

\*Description provided on attachment.

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.
- Prior authorization is required for the following transportation services:
  - Interstate transportation or transportation services rendered by a provider located out-of-state in a non-designated area
  - All out of state pick up and destination locations, except in designated sister cities
  - 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 when destination is a hospital emergency department
  - 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. Family members or close associates must be enrolled as an Indiana Medicaid provider. Trips are approved by the appropriate NEMT broker. This benefit is provided as an administrative service.

## 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.

## Emergency Transportation:

Medicaid pays for emergency medical transportation services at the lower of:

1. The provider's submitted charge; or
2. The allowable amount for that procedure code in the Indiana Medicaid Practitioner Fee Schedule in effect for that date of service. The allowable amount is calculated based upon a survey of billed charges statewide utilization data.

Ambulance Services are reimbursed both a loading fee and a per mile rate for each loaded mile of the trip.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for governmental and private providers of transportation services. The agency's fee schedule rate was set as of October 1, 2019 and is effective for services provided on or after that date. All rates are published on the agency's website at [www.indianamedicaid.gov](http://www.indianamedicaid.gov).