



March 23, 2018

The Honorable Alex Azar
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Re: The President's Fiscal Year (FY) 2019 Budget

The Medical Transportation Access Coalition (MTAC) writes this letter in response to the President's FY 2019 Budget which proposes to use regulatory authority to change Medicaid non-emergency medical transportation (NEMT) from a mandatory to an optional benefit.

First, we would like to take the opportunity to introduce the coalition to the Department. In the spring of last year, the three leading brokers of NEMT services came together to form MTAC to consider innovations to NEMT and advocate for policies that support continued access to transportation services. Combined, the founders of MTAC help manage and deliver NEMT services in almost every state in the nation, and across several different health insurance markets and programs. MTAC wants to make this experience and perspective available to elected officials and other policymakers, particularly as the debate about the future of the nation's healthcare system continues. Since MTAC's formation, approximately 10 national organizations from a diverse range of stakeholders, including patient groups, clinical and transportation provider organizations, and health plans, have joined the coalition. The diversity of our membership is reflective of a shared understanding of the value of evidence-based, cost-effective NEMT in delivering access to quality care.

We write to express our serious concerns with the FY 2019 Proposal. While Federal regulations require states to provide NEMT as part of the standard Medicaid benefit package, states have tremendous flexibility today in establishing their NEMT programs. Many utilize brokers or managers like the founders of MTAC to deliver high-quality and efficient transportation services using the most cost-effective means possible. As a result, multiple independent analyses have found that properly managed NEMT services yield a significant return on investment. NEMT helps beneficiaries to gain access to treatment, take control of their health, and avoid or minimize comorbidities and other challenges that result in hospitalizations and other more intensive - and more expensive - interventions.¹ That is why when Arkansas considered

¹ E.g., National Academies, Transportation Research Board, Cost-Benefit Analysis of Providing Non-Emergency Medical Transportation, 2005, available at: <http://www.trb.org/Publications/Blurbs/156625.aspx>; Jinkung Kim,

eliminating NEMT for a portion of the State's non-medically frail Medicaid population, it did not do so. The state's decision was informed by an *ex ante* analysis of evidence which was performed by a state taskforce, The Stephen Group, which concluded that it has a "very effective brokerage model for non-emergency medical transportation (NEMT) with a capitated benefit structure that manages the program in a cost effective manner."²

We recognize that other states have not taken Arkansas' path and three states—Iowa, Indiana, and most recently, Kentucky—have received the Department's approval to eliminate transportation benefits for most of their State's Medicaid expansion population through Section 1115 demonstration authority. The stated rationale is a desire to align Medicaid with private insurance. However, not only do such policies fail to acknowledge the fundamental differences in socioeconomic status between individuals with Medicaid versus private insurance, they also ignore a growing market trend to deploy transportation (and other social determinants of health) in commercial insurance and Medicare Advantage as a benefit that delivers value and positive health outcomes.

To illustrate: Ohio's Maternal Opiate Medical Support (MOMS) program is a coordinated effort to improve maternal and fetal outcomes and family stability for opiate-dependent pregnant women and their babies. To make the program work, the state assures free transportation to prenatal and postpartum visits to those in need, and Medicaid managed care organizations provide transportation to 12-step meetings and other purposes related to the program such as court proceedings.³ And in the commercial market, Blue Cross Blue Shield Association and Lyft entered into a national partnership to provide NEMT to targeted commercially insured members in "transportation deserts."⁴

In sum, as our organizations collectively serve millions of Americans, including those with chronic diseases, every day we see firsthand how low-cost transportation services improve adherence with physician orders and clinical guidelines. Given these experiences and the evidence on cost-effectiveness to date, we urge you to maintain the requirement for States to offer transportation to all Medicaid patients with no other means to access health services.

It is also difficult to see how the proposal will have no budget impact as indicated in the Budget in Brief. We refer you to a Florida State University study that offers methodology for

Edward C. Norton, and Sally C. Stearns, Transportation Brokerage Services and Medicaid Beneficiaries' Access to Care, *Health Services Research*, 2009 Feb; 44(1): 145–161; Leela V. Thomas & Kenneth R. Wedel, Nonemergency Medical Transportation and Health care Visits Among Chronically Ill Urban and Rural Medicaid Beneficiaries, *Social Work in Public Health*, 2014, 29:6, 629-639.

² The Stephen Group, Volume II: Recommendations, May 2015, available at: <http://www.arkleg.state.ar.us/assembly/2015/Meeting%20Attachments/836/I14099/TSG%20Volume%20II%20Recommendations.pdf> (last accessed March 14, 2018).

³ Medicaid and Children's Health Insurance Program Payment and Access Commission, "Medicaid and the Opioid Epidemic," June 2017, available at <https://www.macpac.gov/publication/medicaid-and-the-opioid-epidemic/> (last accessed March 14, 2018).

⁴ *Modern Healthcare*, "Blue Cross and Blue Shield, Lyft team up for patient transportation," May 11, 2017, <http://www.modernhealthcare.com/article/20170511/NEWS/170519959>, (last accessed March 13, 2018).

considering the economic value of a transportation benefit and suggests that if NEMT results in even a 1 percent reduction in hospitalizations, the benefit more than pays for itself by a factor of 11 to 1.⁵ We respectfully request that the Department offer its methodology for determining that the proposal will be budget neutral.

We appreciate your consideration of this letter. For more information about MTAC or to discuss our views, please contact us via Nick Manetto, nick.manetto@FaegreBD.com or 202-312-7499.

Sincerely,

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⁵ Florida Transportation Disadvantaged Programs Return on Investment Study, March 2008, available at: http://tmi.cob.fsu.edu/roi_final_report_0308.pdf (last accessed March 14, 2018).