

## NEVADA'S NET

In 2003 the state of Nevada issued a Request for Proposals (RFP) for non-emergency transportation (NET) brokerage services to include coordination, management and reimbursement of non-emergency transportation services. The procurement was intended to streamline the state's NET process, making it easier for NET recipients to access services while also eliminating the misuse of the system. LogistiCare was selected to provide service for all three regions of the state.

### Procurement History

Prior to the state of Nevada's procurement for a transportation broker to manage the Medicaid non-emergency transportation benefit, recipients either provided their own transportation and submitted a request for reimbursement, coordinated their transportation through the Division of Health Care Financing and Policy's (DHCFP) district offices, or they arranged their own transportation through a Medicaid transportation provider. This situation was a difficult one to manage, and the Division became concerned about the inappropriate use of Medicaid NET services in ways such as:

- ineligible riders;
- trips to services not covered by Medicaid;
- providers billing for more miles than the actual distance of the trip;
- providers delivering or billing for multiple trips when only one trip was necessary, and
- trips provided via ambulance or wheelchair accessible van when this more costly service was not necessary.

Although the Division preferred to contract with only one broker, the state was divided into three transportation regions for the purpose of the procurement, and bids were considered for any one or all of the three regions. In October 2003, LogistiCare entered into an agreement with the Division to provide Medicaid NET services on a capitated basis to all three regions of the state.



LogistiCare immediately began to address the Division's concerns by implementing an eligibility verification process that curbs the use of the system by ineligible riders. The process also ensures that the most appropriate mode of transportation is assigned, eliminating the overuse of more costly transit options such as stretcher and wheelchair vehicles.

### Program Issues

As the company began working with existing providers to offer transportation for Medicaid and Nevada Check Up (Children's Health Insurance Program) recipients, it realized that the non-emergency transportation network in Nevada was severely lacking in providers, which created challenges in meeting the

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service demands of both programs. This was particularly an issue in Las Vegas where nearly 40 percent of requested trips were fulfilled by taxi companies. The demand on taxis by the tourist industry

often superseded a Medicaid recipient's need for a trip to a medical appointment. They would often have to wait three and four hours for their rides.

It was obvious LogistiCare needed to recruit more providers to exclusively perform Medicaid transportation services. However, Nevada is the only state in LogistiCare's book of business where the

permitting process for Medicaid NET providers is regulated by the Transportation Services Authority (TSA), rather than by Medicaid.

The TSA took a one-size-fits-all approach to the transportation provider certification process – all applications for a transportation provider certificate, regardless of the purpose were bound by the same lengthy process that sometimes took as long as a year to complete.

This made recruiting an exclusive Medicaid provider network almost impossible. In order to develop a more robust transportation provider network, LogistiCare's Corporate Public Affairs office and the Nevada management team began working with Nevada government officials to educate them on the company's position and the plight of the state's Medicaid NET program. They partnered with Nevada Medicaid officials to address the state's legislators – highlighting the need for fewer restrictions in the permitting process for those wanting to provide NET services.

As a result, the Nevada Legislature passed, and the Governor signed, Senate Bill 401 which eases the permitting requirements for providers who plan to contract with LogistiCare to provide exclusive Medicaid and Nevada Check Up transportation services. Transportation providers delivering Medicaid NET services still must meet high standards for insurance, as well as driver and vehicle safety. All vehicles used are still subject to ongoing safety inspections by the TSA.

## Network Expansion

Medicaid NET providers no longer have to go through the permitting process with the TSA to get a permit that enables them to transport for hire. As long as the provider only intends to contract with LogistiCare, they are only required to obtain an exemption letter from the company that allows them to transport exclusively for the Nevada NET program.

LogistiCare has been able to recruit transportation companies from Northern Nevada and California which is allowing the company to provide even more timely transportation for the Medicaid members in Nevada.

It is always LogistiCare's goal to rely as little as possible on taxi cabs to provide NET services. The company still uses them throughout the day when necessary; and they are used exclusively for after-hours appointments.

## Increased Trips and Recipient Satisfaction

LogistiCare has increased the number of completed trips for Nevada's Medicaid population by 27 percent since the brokerage was implemented. Recipient complaints are consistently less than one percent of all trips completed.



The demand on taxis by the tourist industry often superseded a Medicaid recipient's need for transportation. Now, taxis are used primarily for after-hours appointments.