

Program Overview:

OKLAHOMA'S NET TRANSITION

Oklahoma's non-emergency transportation (NET) system, was transitioned to a brokerage management model in 1999 as a seven-county pilot program called SoonerRide. The Oklahoma Health Care Authority (OHCA) contracted with a single broker to manage the program, which was expanded statewide one year later. When the program's anticipated cost savings were not achieved, LogistiCare was selected to assume management of the program in 2003. In 2008, LogistiCare received another multi-year contract to continue administering the program.

Program History

Prior to 1999, Oklahoma's NET services were provided to the state's Medicaid population on a fee-for-service basis. Recipients accessed non-emergency transportation by means of their own vehicles, relatives or friends and volunteer transportation providers. Medicaid recipients would receive trip reimbursement by filing a mileage claim at their county's Department of Human Services. This process was inefficient and led to high incidents of fraud and abuse and often the recipient's inability to access services due to the lack of transportation resources in some Oklahoma counties.

In June 1999, the state implemented the SoonerRide program which was designed to reduce fraud and abuse and increase client safety by creating and enforcing uniform transportation standards. The program was launched as a seven-county pilot program and then expanded statewide in May 2000.

To manage SoonerRide, the Oklahoma Health Care Authority contracted with a single broker to arrange all NET for medical services. However, this original brokerage agreement allowed transportation providers to charge fees beyond the pre-negotiated rates, and the cost stabilization the state had anticipated was not achieved. When the original broker's contract expired in 2003, LogistiCare was selected to assume management of the program.

Early Challenges

LogistiCare encountered obstacles early in the Oklahoma contract implementation. There was a shortage of transportation providers in the state and many existing companies were members of a provider association that was opposed to LogistiCare as an out-of-state vendor and unhappy with some of the company's strict credentialing requirements.

The majority of the association members joined together to set higher rates than were customarily paid for NET services and collectively refused to negotiate with the company. Since the association members were the primary source of transportation in many areas of the state, including very rural locations, this was an urgent situation that actually had two components. In addition to their inflated rates, many association members were also 5311 transit providers (private entities receiving federal grant funds to operate rural, fixed route transit services), which did not offer after-hours and weekend service. This meant that providers from miles away would need to be utilized to manage after-hours and weekend trips in the more rural areas of the state, at even higher rates.

Solutions

In order to ensure sufficient transportation coverage, LogistiCare accepted the association providers' rates, while the company's network development team quickly worked to recruit additional transportation companies.

LogistiCare also expanded OHCA's existing volunteer driver program, which was key to fulfilling some of the after-hours and weekend trips in the more rural areas of the state.



In Oklahoma, LogistiCare's transportation network of more than 400 vehicles is made up of a wide range of providers, from private companies to volunteer drivers.

Results

Through diligent network development efforts, LogistiCare was able to expand healthcare access by putting in place a robust and fully functioning transportation network inclusive of association members, private companies, 5311 rural transit providers and volunteer drivers, for a network of more than 400 vehicles.

Since starting work in Oklahoma in 2003, LogistiCare has also kept NET program costs low and highly stable compared with Medicaid's average annual cost increase of 8 percent for the same period.

Even when the state eliminated its Medicaid managed care contracts in 2004, resulting in a 60 percent increase in members eligible for NET, brokerage costs were still almost \$1 million less than when LogistiCare was first awarded the contract.

In 2008, LogistiCare increased its local project staffing by moving the contract call center staff to its Oklahoma City business office.