



Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Robert R. Neall, Secretary

October 3, 2019

The Honorable Nancy J. King  
Chair  
Senate Budget and Taxation Committee  
3 West Miller Senate Office Building  
Annapolis, MD 21401-1991

The Honorable Maggie McIntosh  
Chair  
House Appropriations Committee  
121 House Office Building  
Annapolis, MD 21401-1991

**Re: 2019 Joint Chairmen's Report (p. 121) – Report on the Maryland Medical Assistance Program's Non-Emergency Medical Transportation (NEMT) Grant Program**

Dear Chairs King and McIntosh:

Pursuant to the requirements of the 2019 Joint Chairmen's Report (p. 121), please find enclosed a report on the Maryland Medical Assistance (Medicaid) Program's Non-Emergency Medical Transportation (NEMT) program, specifically:

*Nonemergency Transportation Grants: The nonemergency transportation benefit in Medicaid provides transportation services for Medicaid enrollees without access to other means of transportation to get to medically necessary appointments. Grants are provided to local health departments, except in Montgomery County, with which the Maryland Department of Health (MDH) has a separate interagency agreement. Local health departments are responsible for screening requests to ensure recipient eligibility and transportation necessity as well as negotiating rates with local transportation providers. The committees are interested in receiving additional information regarding the program, including per capita spending per jurisdiction; the total number of trips paid for by jurisdiction and the average cost per trip; the number of trips requested but not authorized by jurisdiction; and the extent to which the department, in its subsequent review of funding awarded to local jurisdictions, claims-back improper payments. The information should be provided for the most recently completed three fiscal years.*

Thank you for your consideration of this information. If you have any questions about this report, or would like additional information, please contact Chief of Staff Tom Andrews at (410) 767-0136 or [thomas.andrews@maryland.gov](mailto:thomas.andrews@maryland.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert R. Neall", with a long horizontal flourish extending to the right.

Robert R. Neall  
Secretary

## Maryland Medicaid's Non-Emergency Medical Transportation (NEMT) Grants Program

### Non-Emergency Medical Transportation Grants

The Maryland Department of Health (Department) submits the following report on the Non-Emergency Medical Transportation (NEMT) Program offered under the Medical Assistance Program (Medicaid). Specifically, the JCR requests additional information regarding the program, including per capita spending per jurisdiction, the total number of trips paid for by jurisdiction and the average cost per trip, the number of trips requested but not authorized by jurisdiction, and the extent to which the Department, in its subsequent review of funding awarded to local jurisdictions, claims-back improper payments.

### Trips and Expenditures

Jurisdiction	Total Number of Paid Trips Per Fiscal Year			Average Cost Per Trip Per Fiscal Year (\$)*			Per Capita Spending Per Fiscal Year (\$)**		
	FY17	FY18	FY19	FY17	FY18	FY19	FY17	FY18	FY19
Allegany County	30,366	24,737	22,658	40.21	49.92	62.17	1,285.39	1,589.38	1,843.77
Anne Arundel County	60,474	63,228	65,660	43.61	46.07	44.42	630.11	706.19	783.15
Baltimore City***	117,627	65,479	56,863	69.35	122.36	126.23	489.77	819.89	1,026.73
Baltimore County	119,441	140,378	203,058	42.06	51.46	40.77	885.08	1,471.01	1,400.98
Calvert County	9,083	10,264	11,745	84.09	73.02	63.28	1,264.49	1,133.81	1,138.10
Caroline County	13,304	18,952	23,326	52.58	22.45	17.08	1,718.60	1,185.36	501.84
Carroll County	25,243	32,641	26,275	44.21	37.09	55.74	85.29	86.48	106.08
Cecil County	22,072	20,706	22,075	41.57	44.76	48.95	801.25	888.54	1,048.16
Charles County	10,089	11,295	9,131	60.49	69.77	99.24	2,118.94	1,111.49	726.09
Dorchester County	28,617	31,646	36,578	31.68	27.93	27.68	696.40	732.83	824.40
Frederick County	12,518	13,768	15,132	69.26	69.12	89.13	1,402.91	1,250.48	1,451.86
Garrett County	9,085	6,113	7,025	106.07	164.52	93.50	2,190.18	1,952.79	1,220.84
Harford County	86,766	74,382	80,493	39.88	48.67	46.80	1,453.99	1,450.53	1,487.32
Howard County	51,035	43,175	50,403	34.29	39.21	65.28	622.61	446.42	532.70
Kent County	16,012	17,332	8,254	47.12	38.56	72.59	1,615.65	1,478.41	1,316.84
Montgomery County	71,808	75,791	76,227	40.05	44.26	41.50	1,222.80	1,398.83	1,152.73
Prince George's County	72,032	72,447	73,678	45.50	47.74	50.35	1,032.81	880.65	815.34
Queen Anne's County	15,133	13,303	13,309	50.75	58.73	56.20	1,777.78	1,698.33	1,684.59
Saint Mary's County	21,444	22,264	19,229	28.59	35.20	36.91	657.72	665.78	844.03
Somerset County	11,159	10,511	8,132	73.61	68.18	91.73	1,283.51	1,477.69	2,021.54
Talbot County	6,812	6,642	6,942	51.07	60.66	54.70	672.84	726.01	753.45
Washington County	31,841	21,343	22,097	45.51	75.91	73.23	1,267.86	1,380.00	1,292.39

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Wicomico County	62,789	64,788	63,947	33.75	33.68	32.21	598.29	621.98	614.21
Worcester County	22,104	28,988	24,057	40.97	33.42	40.60	927.84	992.47	613.52

Additional Considerations:

- \* Average cost per trip is based on the total NEMT program costs for each jurisdiction.
- \*\* Per capita spending is based on the total Maryland Medicaid participants using the NEMT program in that jurisdiction, not the total Medicaid population of that jurisdiction.
- \*\*\* Baltimore City trips and expenditures include air ambulance services. Baltimore City is the only jurisdiction that manages air ambulance trips for the entire state of Maryland. For fiscal years 2017-2019, 1,725 air ambulance trips were completed at a total cost of \$2,587,500 (base rate) + \$803,816 (mileage), or \$3,391,316. The average cost per air ambulance trip was \$1,966.

### Number of trips requested but not authorized

Jurisdiction	Number of trips requested but not authorized		
	Per Fiscal Year		
	FY17	FY18	FY19
Allegany County	123	162	119
Anne Arundel County	214	205	184
Baltimore City	282	372	198
Baltimore County	13	29	34
Calvert County	127	101	50
Caroline County	18	35	26
Carroll County	92	30	119
Cecil County	54	43	52
Charles County	0	67	0
Dorchester County	23	48	39
Frederick County	23	41	36
Garrett County	87	96	15

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Harford County	172	82	47
Howard County	40	90	52
Kent County	16	19	10
Montgomery County	174	98	99
Prince George’s County	1,044	629	575
Queen Anne’s County	9	69	49
Saint Mary’s County	799	547	698
Somerset County	30	26	7
Talbot County	23	53	42
Washington County	12	7	5
Wicomico County	369	468	549
Worcester County	79	16	8

### **Improper Payments**

Training on the regulations and the governing documents guiding this program, and the focus on increased compliance, is an ongoing process within the NEMT Program. Through these compliance efforts, funds have been recouped from multiple jurisdictions or their vendors. Improper Specialty Care Transport charges, and other billing irregularities, have been recouped from multiple jurisdictions. The discovery of compliance issues is usually mitigated with training and policy guidance. Legislative Audit findings and CMS guidance also highlighted the need for increased focus on the requirement to discontinue the payment for “no-shows” to their transportation vendors. A no-show occurs when a participant either is not at the arranged pickup point at the appointed time or refuses the ride at that time – not canceling the trip in advance. In either situation, a Medicaid participant is not being transported to a Medicaid covered service. Accordingly, a vendor cannot be reimbursed for services that are not rendered. In March 2013, the NEMT Program notified all grantees that such payments were not allowable per program regulations. Following additional NEMT training with all local jurisdiction staff during 2016, the Department learned that, despite its regulatory clarification and policy direction, the Baltimore City local health department’s NEMT program continued to reimburse its transportation vendors for no-show trips. In a letter dated December 27, 2016, by way of a formal recovery letter, the Department requested the return of the grant funds that were inappropriately reimbursed to Baltimore City’s vendors for no-show payments. Inappropriate payments by Baltimore City from March 2013 through November 2017 total \$603,036. To date, this matter remains open and outstanding, as the funds have not been returned. A number of

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factors (i.e. Baltimore City staff attrition and administrative delays) have inhibited the Department's efforts to complete the recoupment of contractual obligations from Baltimore City. Consequently, the issue has been elevated to the Department's Office of the Inspector General to assist in seeking a resolution.

### **Conclusion**

For the past three fiscal years, the Department allocated an annual average of \$41,160,233 in total (50% General/50% Federal) original budget funds to 23 local health departments and the Montgomery County Department of Transportation to administer Maryland Medicaid's NEMT Grants Program. However, after specific modification (i.e., supplemental) requests each fiscal year, the Department awarded an annual average total of \$48,455,170. The total of the requested funds in FY19 was \$51,338,627.

The NEMT program continues to be the safety-net transportation provider of last resort for qualified Maryland Medicaid participants, using the most efficient, cost-effective manner possible, as required by regulations. The Department will continue to convene the NEMT Broker Pilot Implementation Work Group to ensure the needs of Medicaid are addressed. The Department remains committed to its responsibility to ensure access to medical care for all Maryland Medicaid participants, through the direct provision of transportation or by referral to available alternate transportation resources.