# RIDESHARING AND MEDICAID NEMT An Advocacy Guide

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## INTRODUCTION

Non-emergency medical transportation (NEMT) is a required Medicaid benefit that provides transportation to and from health care appointments that are not emergencies. Currently, NEMT serves over seven million Medicaid enrollees across the U.S. Many of these enrollees use NEMT to access services such as substance use disorder/behavioral health care, preventive care, specialist visits, physical therapy/rehabilitation, dialysis and adult day health care.

Medicaid NEMT is a critical benefit for three primary reasons. First, without NEMT, many Medicaid enrollees would not be able to access the care they need. Every year, millions of adults miss medical appointments or delay care due to transportation



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issues.<sup>iv</sup> In a recent survey of NEMT recipients, 58% reported that they would not be able to make any medical appointments without NEMT.<sup>v</sup> Second, Medicaid NEMT is cost-effective. Transporting individuals to their routine medical appointments helps them receive preventive care and adhere to treatment regimens that in turn avoid costly medical emergencies and hospitalizations. More specifically, Medicaid spends less than 1% of its total budget on NEMT,<sup>vi</sup> but yields a significant return on investment. Recent data has shown that NEMT has resulted in a return on investment for both wound care for diabetics and for dialysis.<sup>vii</sup> Additionally, one Florida study estimated that if just 1% of all medical transportation trips prevent a one-day stay in a hospital, the resulting return on investment would be 11:1.<sup>viii</sup>

Lastly, Medicaid NEMT addresses transportation as a key "social determinant of health" (SDoH), defined as the conditions in which people are born, live, learn, work, play and age that affect a wide range of health risks and outcomes. NEMT improves this social determinant by filling transportation gaps and providing timely and medically appropriate transportation. NEMT can particularly help states achieve better health equity among their Medicaid populations by serving individuals who are more likely to experience transportation barriers, such as rural residents, individuals with disabilities and older adults.

## RIDESHARING AND NEMT

In recent years, there has been a proliferation in the use of ridesharing companies such as Uber and Lyft – also known as "transportation network companies" (TNCs) – as NEMT transportation providers. For example, Lyft is now working with about 35 state Medicaid programs. Some states in have passed legislation allowing TNCs to serve as NEMT providers, while in other states, brokers, insurers and health care providers have contracted with TNCs on their own to provide rides not only to Medicaid enrollees, but Medicare and private insurance enrollees as well.

TNCs have the potential to improve NEMT, but also the potential to disrupt the already troubled quality of NEMT services. On the plus side, TNCs may help states increase the number of transportation providers, and therefore expand access to NEMT overall. TNCs also excel in an area where traditional NEMT service is typically weak – in providing time-sensitive and immediate rides to meet an unanticipated or urgent need, such as a hospital discharge.\*\* Therefore, they can complement traditional NEMT services in this way.

However, since state regulation over TNCs is a developing area, and since the mission and operations model of TNCs are not the same as Medicaid NEMT, TNCs also have the potential to undermine the quality of NEMT or exacerbate the customer service experience, which is already one of the largest and most longstanding problems with NEMT delivery.\*\*i The challenges and barriers that TNCs pose, including their heavy reliance on smartphones, will also likely have a disparate impact on some of the populations with the greatest need for NEMT, such as older adults,\*\*\*ii individuals with complex health needs and individuals in rural areas. Additionally, some aspects of the TNC model are not appropriate for NEMT users, as discussed in more detail below. Therefore, we feel strongly that at this time, TNCs cannot be a complete replacement for current NEMT delivery. As a result, all of our recommendations are centered around how TNCs models can best be integrated into current state NEMT programs.

We also recognize, though, that if TNCs are only partially integrated into NEMT, there is a risk that the service becomes bifurcated, with TNCs primarily serving ambulatory patients or patients without complex or acute medical needs and traditional NEMT drivers continuing to serve individuals with high or complex medical needs. We are concerned that if this type of two-tiered system emerges, individuals who rely on and need NEMT the most may be prevented from accessing or experiencing the benefits that TNCs can offer. Therefore, we strongly recommend that all states carefully assess the impact of TNCs on all NEMT users throughout their integration efforts, and require TNCs to demonstrate how they will meet the needs of all NEMT users.



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Given the increasing interest among stakeholders in using TNCs, as well as their potential to impact NEMT in both positive and negative ways, it will be important for state policymakers – such as legislators, governors and state Medicaid officials - to be well-informed about the important factors and tradeoffs to consider. This guide provides recommendations that health care and transportation advocates can raise with state policymakers to help ensure that any use of TNCs is as successful as possible in meeting the needs of NEMT users.

## **RECOMMENDATIONS**

#### Recommendation #1: Integrate TNCs into NEMT initially as a time-limited pilot

Since the integration of TNCs into NEMT is a new and emerging issue, we believe any incorporation of TNCs by states into their Medicaid NEMT programs should occur first as a pilot project that is limited in scope (i.e., limited in time, geographic area, and/or populations served) so that the impact TNCs have can be assessed before making TNC integration more expansive or permanent. For example, states could first pilot TNCs within NEMT for non-senior/person with disability populations so that TNCs can be evaluated before they serve the populations who may be most impacted by them. We strongly recommend states conduct a formal evaluation upon conclusion of any pilot on whether or how TNCs are meeting the needs of NEMT users before moving forward with any further integration.

#### Recommendation #2: Consider how to best adapt the TNC model for NEMT users

Certain aspects of the TNC model are inappropriate for Medicaid NEMT users, and therefore states should prohibit TNCs from using these features when providing NEMT. For example, customer ratings should not be involved when transporting NEMT patients. We are concerned that rating NEMT users in this way can only lead to discrimination against a wide variety of Medicaid enrollees, including those with behavioral health conditions and those with limited English proficiency. Therefore, we recommend that states prohibit TNCs from using this feature of their service when transporting NEMT users. Additionally, we strongly recommend that TNC drivers be prohibited from cancelling trips on patients if they feel they have been waiting too long for the patient, or don't want to transport the patient to their desired location.

There are also aspects of the TNC model that we feel should be enhanced or better accommodated to serve TNC users. For example, certain TNCs allow for individuals to request rides on behalf of others, including older adults, individuals with disabilities and individuals with limited English proficiency, and therefore states should work with TNCs to ensure this feature is available to NEMT users. States should also work with TNCs to ensure there are processes in place to provide all necessary reasonable accommodations for individuals with disabilities and medical needs, such as making sure a driver transporting a patient with a service animal doesn't then immediately provide transportation to someone with severe animal allergies. Overall, the incorporation of TNCs should be used as an opportunity to strengthen consumer protections within NEMT as a whole.

#### Recommendation #3: Require TNC drivers to meet strong training and credentialing standards

While TNC regulation is still evolving and varies widely both across and within states, some states have allowed TNC drivers to meet less-rigorous training standards than traditional Medicaid NEMT providers as a way to more easily and quickly expand access to TNC services within NEMT. We believe that this is a mistake and that TNCs should, at the very least, be held to the same standards as traditional NEMT drivers when it comes to driver credentialing (background checks, etc.) and vehicle/equipment safety standards. We recommend that advocates request TNCs be required to complete training in at least the following areas:

- 1) Safely and effectively transporting individuals with complex health needs, individuals with limited English proficiency, individuals from diverse ethnicities and cultures, children, older adults, and individuals who might need accompaniment to medical appointments;
- 2) Emergency and crisis training, including CPR and first aid;
- 3) Americans with Disabilities Act education training;
- 4) Patient privacy training on the Health Insurance Portability and Accountability Act (HIPAA); and
- 5) Overall customer service training on passenger communication, how to handle both door-to-door and curb-to-curb service, and how to transport durable medical equipment.

#### Recommendation #4: Promote meaningful consumer engagement regarding TNC usage

To ensure TNCs are best meeting the needs of those using the service, states should create an oversight entity to be responsible for regularly monitoring the service, collecting data, addressing consumer complaints and implementing accountability and enforcement policies regarding TNC and driver performance. These entities should also engage with and solicit feedback from NEMT users and other stakeholders on how the service is working and what strategies can be implemented to make improvements. This entity can take the form of a consumer advisory council that frequently meets to gather information, solicit feedback and make recommendations to the broker, TNC and state Medicaid agency.

### Recommendation #5: Improve oversight mechanisms at the state level

In addition to creating more opportunities and processes for stakeholder engagement, and particularly engagement with NEMT users, the state oversight entity should continually monitor the performance of TNCs and their drivers. For example, the oversight entity should conduct its own review of whether all ridesharing drivers are properly trained and credentialed, and whether TNCs are continually and sufficiently adapting their models to accommodate NEMT users. This entity should also coordinate with and collect the feedback of the consumer advisory council mentioned in the above recommendation so that the user experience is factored into any decisions to impose penalties or corrective action plans. States should also require TNCs to provide them with comprehensive data about the trips they're providing to NEMT patients, so that states can independently assess the quality of the service, as well as track and address any consumer complaints made to the TNC. Overall, the goal of the oversight office should be to ensure that the state is only contracting with drivers that deliver high-quality services.

## CONCLUSION

There is potential for the integration of ridesharing companies into Medicaid NEMT programs to improve NEMT within states, by both expanding access to the service as well as improving the overall quality of the service and patient experience. However, if not implemented carefully, using TNCs has the potential to reduce the quality of the NEMT service, and particularly for those who need NEMT the most. Therefore, we hope this guide can help advocates raise some of the critical factors that state policymakers need to consider to ensure ridesharing within NEMT is effective and beneficial.

## **ENDNOTES**

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