May 7, 2018

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

Dear Secretary Azar:

HHS' fiscal year 2019 budget request proposes to use regulatory authority to change Medicaid non-emergency medical transportation (NEMT) from a mandatory to an optional benefit. NEMT has been a mandatory Medicaid benefit since 1966 by regulation[1] that requires State Medicaid programs to provide beneficiaries transportation to and from medical appointments.

The undersigned organizations strongly oppose ending the 50-year-old assurance of NEMT for Medicaid patients, including the aged, blind, persons with disabilities and children entitled to the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit. The requirement to provide NEMT services was established based on the premise that the Medicaid entitlement would be meaningless if patients were unable to get to and from their necessary healthcare appointments. That premise has not changed. Even today, Medicaid and CHIP beneficiaries are more likely to delay care because of transportation than people with private coverage.[2]

To put NEMT in perspective, the benefit is utilized by only about 10 percent of Medicaid enrollees and accounts for only 1 percent of total Medicaid spending. NEMT is reserved for members who have no other means of transportation to and from their medical appointments.

Medicaid patients with the highest burden of chronic disease, including those diagnosed with cancer, mental health and substance use disorders, HIV and end-stage renal disease account for over half of transportation utilization and face the greatest transportation barriers to receiving healthcare. In calendar year 2012, the Medicaid and CHIP Payment and Access Commission (MACPAC) estimated there were 1.8 million NEMT users in Medicaid fee-for-service, 21 percent of which were children. Without NEMT, patients will be unable to access critical treatment, resulting in increased Medicaid expenditures for more expensive services such as catastrophic hospitalization or institutionalization.

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[1] 42 CFR 431.53

[2] Medicaid and CHIP Payment and Access Commission (MACPAC), Chapter 4: Monitoring Access to Care in Medicaid, Mar. 2017, available at: https://www.macpac.gov/wp-content/uploads/2017/03/Monitoring-Access-to-Care-in-Medicaid.pdf.

A study for the Transportation Research Board (TRB) of the National Academies found that if access to NEMT services saved only 1 hospitalization in 100 trips, the return on investment (ROI) would be 10 to 1. A similar study conducted by Florida State University found NEMT's ROI factor to be 11 to 1. Citing both studies, The Stephen Group (TSG) recommended that Arkansas not pursue elimination of NEMT for a portion of the State's non-medically frail Medicaid population.

Several States have requested, and three States have received, authority under a section 1115 waiver to eliminate transportation benefits for most of their State's Medicaid expansion population. States with this waiver authority, granted by the Obama administration, still must provide an exemption for "medically frail" individuals but would not be required to do so if NEMT is optional. State evaluations of NEMT waivers have demonstrated that chronically ill, low-income and minority populations maintain the highest unmet need for care when they lack a transportation benefit. Fortunately for expansion members in these States, some managed care organizations (MCOs) choose to offer NEMT even when the State does not reimburse them for the cost. These MCOs have concluded that NEMT is a benefit that lowers healthcare costs and have taken it upon themselves to fill the void left by the State.

However, it is not enough to rely on MCOs to offer transportation. Allowing States to waive the assurance of transportation will increase Medicaid expenditures for ambulance services and avoidable hospitalizations for manageable chronic conditions while reducing overall access to healthcare. As described in a 1974 District Court opinion affirming transportation assurance: "…[U]ntreated, the minor medical problem becomes the major medical problem and…the individual…becomes…sick enough to qualify as an emergency case to be transported by ambulance and to be admitted as a hospital in-patient. It is the worst kind of false economy." For the reasons stated above, it is difficult to see how the proposal will have no budget impact as indicated in the budget request.

We urge you to maintain the requirement for States to offer transportation to all Medicaid patients that have no other means to access health services.

Thank you for considering our comments. If you have any questions or need any further information, please contact Marsha Simon (msimon@mjsimonandcompany.com; 202-204-4707), President at Simon&Co.

Sincerely,
ADAP Advocacy Association
Aging Life Care Association
American Federation of State, County and Municipal Employees
American Academy of Addiction Psychiatry
The Arc of the United States

Association for Ambulatory Behavioral Healthcare
Association for Behavioral Health and Wellness
Alliance for Retired Americans
American Art Therapy Association
American Association on Health and Disability
American Foundation for the Blind
American Group Psychotherapy Association
American Kidney Fund
The American Society of Nephrology
American Psychological Association
B'nai B'rith International
Center for Autism and Related Disorders
Center for Public Representation
Child and Family Policy Center
Children's Health Fund
Community Access National Network
Community Transportation Association of America
Epilepsy Foundation
Global Alliance for Behavioral Health and Social Justice
Health Outreach Partners
The Jewish Federations of North America
Justice in Aging
Lakeshore Foundation
Medicare Rights Center
Mental Health America
NAADAC, the Association for Addiction Professionals
National Adult Day Services Association
National Alliance on Mental Illness
The National Alliance to Advance Adolescent Health
National Association for Children's Behavioral Health
National Association of County Behavioral Health & Developmental Disability
National Association of Social Workers
National Coalition on Mental Health and Aging
National Council for Behavioral Health
National Council on Aging
National Federation of Families for Children's Mental Health
National Health Care for the Homeless Council
The National Organization of Nurses with Disabilities
The National Renal Administrators Association
Schizophrenia And Related Disorders Alliance of America
Trinity Health, Livonia, Michigan
United Cerebral Palsy
United Spinal Association

cc: Seema Verma, Administrator, Centers for Medicare and Medicaid Services