



January 30, 2023

Chair John Hoffman
Senate Human Services Finance and Policy Committee
Minnesota Senate

RE: **S.F. 316** Nonemergency medical transportation payment rates increase & **S.F. 149** Fuel adjustment provision for nonemergency medical transportation and ambulance service reimbursement.

Dear Chair Hoffman and Committee members,

The Minnesota Association of County Social Service Administrators (MACSSA) offers support for Nonemergency Medical Transportation (NEMT) Rate increases such as those found in SF 316 and SF 149. NEMT provides Medical Assistance (MA) enrollees with transportation to and from nonemergency medical service appointments. This program is essential for enrollees who have no other means of transportation to access health care services.

NEMT is a federally mandated benefit that enables Medical Assistance enrollees to access covered healthcare (medical) services using the most cost-effective mode of transportation for nonemergency medical service appointments. The federal government requires States to provide NEMT assistance to the nearest qualified provider using the least expensive type of appropriate transportation. Types and levels of transport are determined by medical necessity. Eligible providers must meet specific criteria as defined by MnDOT vehicle and driver requirements, additional driver and attendant training for protected transportation services, and Minnesota Health Care Program (MHCP) provider enrollment or local county or tribal agency criteria. Currently, NEMT is administered in a variety of ways across Minnesota, from the Medical Transportation Management (MTM) model to individual counties or regions contracting directly with transit providers or volunteers. The local agency must pay directly for these services and may charge them to the medical assistance program administrative account for reimbursement.

MN State Statute 9505.0445, Section R, sets the rates paid to NEMT providers. Providers have stated that these rates are no longer sufficient. In 2022, this resulted in some providers discontinuing service to fee-for-service Medical Assistance (MA) enrollees in response to the current rates, citing record fuel prices, insurance rate hikes and workforce issues, among others. If NEMT rates are not increased, Minnesota is at risk of seeing additional providers halt or discontinue services. **It is critical that the rates are increased to a sufficient level to avoid a crisis.**

During the summer of 2022, a number of counties were forced to scramble to meet MA client needs after a number of NEMT providers abruptly ended providing service for fee-for-service MA clients in their counties. A limited number of NEMT providers exist in greater Minnesota counties and county case managers scrambled to find new options for transportation to non-emergency, but very much medically necessary, medical services for members of their communities. This was particularly challenging for individuals with the most significant transportation needs, requiring ramp or lift-equipped vehicle transportation.

A number of clients were not informed by their NEMT provider of the trip cancellation in a timely manner, causing them to miss appointments and leaving them in a panic to find transport to essential and time-

sensitive medical services such as dialysis. Due to the urgency of the situation and need for timely access healthcare services, some NEMT transportation fell outside of the eligibility of MA and counties were forced to cover the cost of transportation with county levy dollars rather than federal reimbursement. Counties were pressured by providers to provide compensation beyond the state MA rate to maintain access to services in their county, which would further burdening local taxpayers and raise questions about what was allowed under MA contracting rules.

Sufficient direct mileage reimbursement to the MA enrollee or the enrollee's driver may incentivize enrollees to drive themselves or independently find their own driver for medical service appointments. Given the workforce challenges for NEMT providers across the State of MN, investing in this payment methodology may provide relief for the NEMT provider shortage. MACSSA also encourages DHS and the legislature to explore how fairly compensating providers for "no show" trips, driver wait time, and no-load miles could create additional stability for providers. Lastly, MACSSA has sought guidance from DHS on contracting language and provisions that could prevent the crisis of last minute provider withdrawal from providing services for a specific population, as sudden loss of services creates a hardship for those seeking care and for counties.

Determining NEMT rates and that those rates are sufficient to support stable access to service is a state responsibility. In our state-supervised, county-administered human services system, this is an example of where counties are at the mercy of the state to fulfill their obligation adequately, so counties are able to coordinate and execute services appropriately at the local level. **MACSSA asks the legislature in 2023 to set sufficient NEMT rates to ensure members of our communities can access the healthcare they need.**

Sincerely,



Matt Freeman
Executive Director
Minnesota Association of County Social Service Administrators

Cc: Sen. Abeler & Sen. Lang