



MJ Simon and Company
1331 G Street, NW
Suite 910
Washington, DC 20005
www.mjsimonandcompany.com

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

Re: Kentucky HEALTH Request to Waive NEMT

Dear Secretary Burwell:

Simon&Co., a health policy firm, opposes allowing states to waive the non-emergency medical transportation (NEMT) benefit. Evidence supports the need for this long-standing, mandatory benefit for the entire Medicaid expansion population, especially those in poor health. According to a recent analysis¹ (attached) of data from the largest Medicaid NEMT broker, transportation is a key component of healthcare plans for the chronically ill. Evaluations in states that waived NEMT found that beneficiaries that are in poor health and lack this benefit may be significantly less likely to get to a medically necessary appointment.

Kentucky's rationale for waiving the benefit has nothing to do with health; instead the state claims that the waiver will allow Medicaid to provide a benefit package similar to commercial insurance and that the benefit is unnecessary because new beneficiaries "utilized less than 140,000 trips" from June 2014 to June 2015. While NEMT may not be necessary for everyone, it is crucial for individuals that are in poor health but may not qualify as medically frail.

Kentucky's request to waive NEMT, without proposing to evaluate the affect of waiving a mandatory Medicaid service on beneficiaries has no demonstration value and approving this request would not further the objectives of the Medicaid program. We strongly ask CMS to deny Kentucky's request to waive NEMT.

We thank you for the opportunity to comment on Kentucky's request to waive NEMT. If you have any questions please have your staff contact me at msimon@mjsimonandcompany.com or 202-204-4707.

Sincerely,

A handwritten signature in cursive script that reads "Marsha J. Simon".

Marsha J. Simon
President
MJ Simon and Company

¹ Medicaid Expansion and Premium Assistance: The Importance of Non-Emergency Medical Transportation to Coordinated Care for Chronically Ill Patients

Medicaid Expansion and Premium Assistance: The Importance of Non-Emergency Medical Transportation (NEMT) To Coordinated Care for Chronically Ill Patients

*by MJS & Company
with a forward from the
Community Transportation Association of America*

March 2014

**Forward by Dale J. Marsico, CCTM
Community Transportation Association of America, Executive Director**

This year marks the 40th anniversary of *Smith vs. Vowell*, a federal court case dealing with transportation for those receiving health care benefits under Title XIX of the Social Security Act — what we know today as Medicaid. Many people believe this case created the non-emergency medical transportation program (NEMT) that provides access to health care for millions across America, in communities of all shapes and sizes. In making its decision about the merits of transportation in health care for Medicaid patients in the 1970s, the court grasped fundamental health care concepts that few understood at the time of its ruling but that dominate medical transportation issues today.

Patients who brought this litigation had the need for multiple trips to-and-from outpatient services, often weekly or monthly. At the time of their lawsuit, the state of Texas only provided ambulance transportation for Medicaid recipients to the “nearest emergency facility.” Yet, these patients needed services to non-emergency treatment facilities, like physical and occupational therapy, gastroenterology clinics and urology treatments by specialists. The court found that these patients’ complex medical needs were, “of such a magnitude that no single doctor or clinic” was capable of meeting their needs, and that the absence of this service in the state Medicaid plan was “preposterous.” When the state raised costs as a concern the court responded by ruling, “the deprivation of medically necessary transportation is disadvantageous to the state” and “a kind of false economy that only results, in the end, in higher medical costs.”

Today’s medical environment has only increased the complexity observed by the court 40 years ago, and the failure to take appropriate steps to maintain outpatient connections costs considerably more. That’s why NEMT was a good idea then and today.

The paper prepared by MJS & Co., recognizes the complexity of today’s medical environment by highlighting the important role that behavioral health and other complex medical conditions play in transportation to today’s medical services. These new challenges in patient management include the scheduling of transportation services. The court addressed this, as well, when it stated that the patient cannot be expected “to assume the administrative as well as the fiscal burden of arranging” their own transportation. To ask the patient to do that, especially those with complex health issues, according to the Court was “neither therapeutic, practical, nor legal.” The need for skilled intermediaries in the transportation process was viewed as important for 40 years, not for financial reasons, but as an essential element in a plan of care.

The expanding Medicaid population, especially those with chronic care and special health care needs, needs the same transportation benefit. If the federal government permits states to drop the NEMT benefit, it will not take many patients to repeat the mistakes found by the judge writing in *Smith vs. Vowell*, who found that limitations on transportation are a “false sense of economy.” That is why past experience is key and this paper by MJS & Co., so relevant.





**Medicaid Expansion and Premium Assistance:
The Importance of Non-Emergency Medical Transportation (NEMT)
To Coordinated Care for Chronically Ill Patients**

February 2014

New data shows that, last year, millions of chronically ill Americans relied on the Medicaid program for transportation to life sustaining medical care such as kidney dialysis and treatment for severe mental illnesses, such as schizophrenia. Lack of health insurance is often equated with lack of access to health services. However, the experience of millions of low-income Medicaid beneficiaries makes clear that health insurance coverage alone does not guarantee access to healthcare services. A previous analysis¹ of National Health Interview Survey data (1999 to 2009) found that 7% of Medicaid beneficiaries reported transportation as a barrier to accessing timely primary care treatment and even 0.6% of those with private coverage reported struggles with similar transportation barriers. As many states propose to scale back the Medicaid transportation benefit, it is important to note that no other barrier varied so greatly in prevalence between individuals with commercial insurance and those with Medicaid.

Transportation is a major barrier for a number of vulnerable individuals --whom a new data set shows are chronically ill Medicaid beneficiaries that need recurring access to live-saving health services. The Medicaid non-emergency medical transportation (NEMT) benefit removes this barrier by providing the least costly, but appropriate, method of transportation service, including taxis, vans and public transit for Medicaid beneficiaries unable to get to and from their medically necessary appointments. The data presented below shows the vital importance that transportation plays in the lives of those patients with chronic health conditions who require recurring visits to dialysis centers or behavioral health services. Millions of beneficiaries with chronic conditions will enter the Medicaid program through the Affordable Care Act. For instance, "in the District of Columbia and the 25 states where the expansion is under way, nearly 1.2 million uninsured adults newly eligible for coverage will have substance abuse problems, according to federal estimates, and more than 1.2 million are projected to have some sort of mental illness. An estimated 550,000 of those will have serious mental disorders that impair their everyday functioning."^{2,3} They will need NEMT to access life sustaining health care services and treatments.

¹ [Cheung PT, Wiler JL, Lowe RA, Ginde AA](#). "National study of barriers to timely primary care and emergency department utilization among Medicaid beneficiaries." *Annals of Emergency Medicine*. 2012 Jul;60(1):4-10.e2.

² Pugh, Tony. "Medicaid expansion is expected to strain mental health services." McClatchy Washington Bureau. 2/13/2014. www.sacbee.com/2014/02/13/6151677/medicaid-expansion-is-expected.html. Article estimates are compiled from Substance Abuse and Mental Health Services Administration data in "National and State Estimates of the Prevalence of Behavioral Health Conditions Among the Uninsured." July 2013. <http://store.samhsa.gov/product/National-and-State-Estimates-of-the-Prevalence-of-Behavioral-Health-Conditions-Among-the-Uninsured/PEP13-BHPREV-ACA>

Simon & Co., LLC

1331 G Street, NW, Suite 910, Washington DC 20005

(202) 204-4707

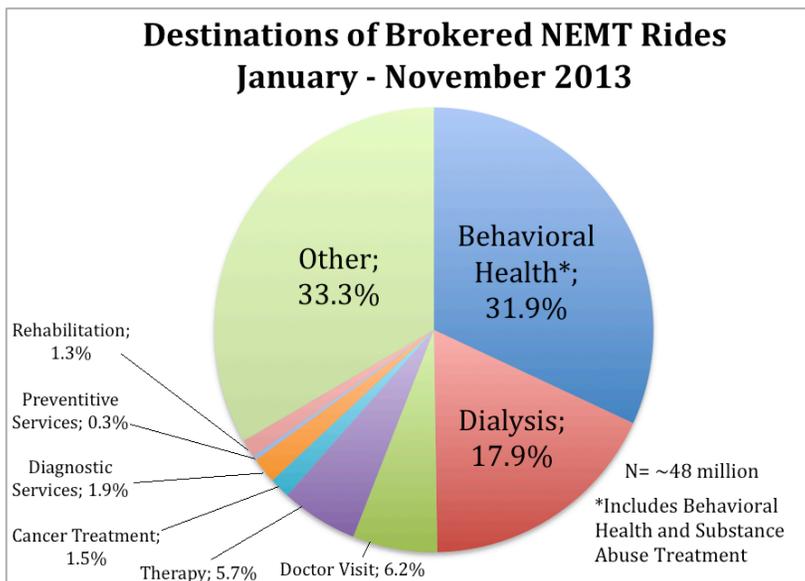
www.mjsimonandcompany.com

Medicaid Non-Emergency Medical Transportation

Since the Medicaid program’s inception, the federal government has required states to assure access to medically necessary health services. Accordingly, Medicaid state plans are required to “Specify that the Medicaid agency will ensure necessary transportation for recipients to and from providers.” (Federal Code of Regulations, 42 C.F.R. §431.53). Although many state Medicaid agencies have tried to eliminate the NEMT benefit, federal agency guidance and numerous court cases have affirmed the requirement for transportation. In *Smith v. Vowell*⁴, the first case to test the enforceability of the transportation assurance, a federal district court found the Medicaid NEMT regulations “unequivocal” and that transportation was essential to the proper administration of Medicaid as an entitlement to critical health services.⁵

Many states contract with transportation brokers⁶ to administer NEMT services and typically compensate these managers on a capitated, per-Medicaid beneficiary basis. This intermediary confirms the beneficiary’s Medical eligibility, assures the destination is for a Medicaid-approved covered, medically necessary service, contracts with transportation providers, verifies transportation providers’ licensing and safety inspections, and coordinates and schedules beneficiary transportation.

The chart to the right uses national data from the nation’s largest intermediary, managing an estimated 48 million rides in 2013 in 39 states.⁷ (Note: the chart



⁴ SMITH v. VOWELL. Civ. A. No. SA-72-CA-285. 379 F.Supp. 139 (1974). Benjamin Edward SMITH et al. v. Raymond W. VOWELL et al. United States District Court, W. D. Texas, San Antonio Division. June 27, 1974.

⁵ Sara Rosenbaum, Nancy Lopez, Marsha Simon, Melanie Morris. “Medicaid’s Medical Transportation Assurance.” George Washington University Department of Health Policy. July 2009.

⁶ Note: The Medicaid and CHIP Payment and Access Commission (MACPAC) defines these arrangements as prepaid ambulatory health plans (PAHP) wherein an entity that does not have a comprehensive risk contract is paid on the basis of prepaid capitation payments or another payment arrangement that does not use state plan rates. The brokerage option was created in Section 6083 of the Deficit Reduction Act (Public Law 109-171), subsection (iv). T

The option allows states to work with a broker who “complies with such requirements related to prohibitions on referrals and conflict of interest” These entities have been called “brokers,” “managers,” “intermediaries” or “prime vendors”. This paper will use the term “intermediaries” to illustrate their role as independent liaisons between the transportation providers and the Medicaid beneficiaries.

⁷ AL, AR, AZ, CA, CO, CT, DE, FL, GA, HI, IA, IL, IN, KS, KY, LA, MA, MD, ME, MI, MO, MS, NC, NE, NJ, NM, NV, NY, OH, OK, PA, RI, SC, TN, TX, UT, VA, WA, WI

includes data from states that have already expanded Medicaid to include individuals with incomes up to 138% of FPL, the population covered by ACA.) It shows that about half of Medicaid NEMT services were provided to facilities providing dialysis treatment or behavioral health services (including mental health services and substance abuse treatment). That is, the most rides were for individuals with chronic illness for whom the lack of treatment would be life threatening or would result in institutionalization in the criminal justice system or psychiatric hospital.

There is, however, variation from state-to-state, which reflects states' differing benefits and covered populations. For instance, most Medicaid NEMT rides in Connecticut (49.3%) and Pennsylvania (56.8%) were behavioral health services for substance abuse. By comparison, rides for dialysis services were the most prevalent in Mississippi (46%) and Hawaii (42%) while rides to behavioral health services were highest in Florida (24.2%) and New Jersey (26.8%).

The "Other" category in the chart above represents destinations such as: adult day care, federally qualified health centers, outpatient surgery facilities, pharmacies, or smoking cessation services. It also includes transportation to specialists such as gastroenterologists, dermatologists, neurologists, obstetricians and gynecologists, orthopedists, pulmonologists, or urologists. In most cases, NEMT rides to these facilities and providers are provided in standard vehicles or through the use of public transportation.

However, as the chart above illustrates, the majority of current NEMT services are for regularly scheduled, non-emergency medical trips for individuals requiring additional assistance with transportation to coordinated care for behavioral health services, substance abuse treatment and dialysis services. Thus, the majority of NEMT rides are more than a transportation subsidy to low-income patients. Most Medicaid subsidized rides transport chronically ill beneficiaries requiring a more robust, specialized transportation benefit to more intensive and recurring treatments and services. **The dominance of the chronically ill as users of the NEMT benefit underscores the danger of eliminating the NEMT benefit.** More than 75% of health care costs are due to chronic conditions⁸ and therefore account for a growing share of Medicaid costs. The NEMT benefit is a key element of a coordinated care plan and if eliminated, could prevent the implementation of new strategies to coordinate care for the highest cost beneficiaries. Because, as the judge writing the *Smith v. Vowell* decision noted, there are concerns that a patient's transportation difficulties could have "a direct and causally injurious effect upon the course of his medical treatment."

NEMT in Medicaid Expansion Using Premium Assistance

The Affordable Care Act (ACA) permits states, as they determine, to expand Medicaid to nearly all individuals with incomes up to 138 percent of the federal poverty level (FPL) (\$15,856 for an individual; \$26,962 for a family of three in 2014). Some states have proposed to adopt an insurance model based on premium assistance in lieu of expanding their traditional Medicaid programs. Under this long available model, states use Medicaid funds to purchase Qualified

⁸ Centers for Disease Control and Prevention. "Chronic Diseases: The Power to Prevent, The Call to Control: At A Glance 2009." www.cdc.gov/chronicdisease/resources/publications/aag/chronic.htm.

Health Plans (QHPs) in the Exchanges/Marketplaces for some or all newly eligible Medicaid beneficiaries under the ACA. In order to offer premium assistance, a state must first file either a state plan amendment or section 1115 demonstration waiver with the Centers for Medicare and Medicaid Services (CMS) in order to be granted authority or approval by the federal government.

CMS has issued final regulations providing guidance to states on how to implement Medicaid expansion through premium assistance.⁹ CMS explained: “Under all these arrangements, beneficiaries remain Medicaid beneficiaries and continue to be entitled to all benefits and cost-sharing protections. Therefore, states must have mechanisms in place to “wrap-around” commercial [insurance] coverage to the extent that benefits are less than those in Medicaid.”¹⁰ These wrap-around benefits include NEMT that is rarely covered in commercial insurance health plans.

However, despite transportation’s proven benefits, especially to the chronically ill, some states are proposing to waive the NEMT assurance requirement in premium assistance plans, arguing that the QHPs are commercial plans that do not traditionally offer NEMT services. In Iowa, CMS has agreed to temporarily “relieve the state from the responsibility to assure non-emergency transportation to and from providers” for its Medicaid expansion population. This waiver authority sunsets after one year during which the state is required to collect data in order to evaluate the impact of lack of access on care. Pennsylvania recently submitted a premium assistance proposal to CMS that requested to waive all wraparound services, including non-emergency transportation. Other states, including New Hampshire, are considering premium assistance options and may request to waive the assurance of NEMT services for this expansion population as well.

A small proportion of newly Medicaid eligible adults in states opting to use premium assistance may be considered “medically frail” (defined in 42 CFR 440 § 440.315) and given the choice whether to enroll in the Exchange, with, or perhaps without, a NEMT wrap-around benefit, or traditional Medicaid with an NEMT benefit. Each state defines medical frailty, but federal regulations require that the definition include at least include certain groups of children, individuals with disabling mental disorders, individuals with serious and complex medical conditions, and individuals with physical and/or mental disabilities that significantly impair their ability to perform one or more activities of daily living.

The states that currently have CMS-approved premium assistance programs anticipate a small number of newly eligible Medicaid beneficiaries will be considered medically frail through self-attestation. The Arkansas waiver request projected, of the 225,000 newly eligible individuals, 10% (22,500) will be deemed medically frail. In Iowa, the state waiver request estimates that 15.8% of the 93,968 newly eligible individuals will default to the traditional Medicaid plan due

⁹ CMS. Medicaid and Children's Health Insurance Programs: Essential Health Benefits in Alternative Benefit Plans, Eligibility Notices, Fair Hearing and Appeal Processes, and Premiums and Cost Sharing; Exchanges: Eligibility and Enrollment. Federal Register, 78 FR 42159. July 15, 2013.

¹⁰ CMS. “Medicaid and the Affordable Care Act: Premium Assistance.” March 2013.

to medical frailty. It is unclear to what extent the self-attested medically frail will overlap with the chronically ill and if this will be sufficient to ensure transportation of the most medically needy.

NEMT is Essential to Medicaid Beneficiaries

Non-emergency medical transportation is a vital element of healthcare delivery to low-income patients. As presented in the intermediary data above, beneficiaries utilizing behavioral health and dialysis services rely heavily on transportation to access health care. The studies below demonstrate the importance of Medicaid-supported NEMT to health and healthcare outcomes, continuity of care and hospital avoidance.

Lack of Transportation is a Barrier to Care: Studies have identified transportation as a barrier for low-income individuals in accessing timely, necessary and continuing medical care. Many low-income patients do not have automobiles and cannot afford public transportation.¹¹ The assurance of such medical transportation ensures access to physicians' offices and outpatient facilities to receive routine and preventive care, as well as care for chronic conditions, such as dialysis and cancer treatment. Additionally, persons with disabilities may have special transportation needs and barriers that require specialized vehicles and additional safety measures.

Missing preventive care or prescribed medication can lead to more costly, resource intensive care and hospitalization.¹² A 2006 study found a delay or failure to fill a prescription was more common among those under age 65, African Americans, those with reported incomes of less than \$25,000, or those who reported transportation issues.¹³ The researchers found that even after adjusting for socio-demographic characteristics, those who reported transportation problems were more likely to report medication non-adherence.

Additionally, many studies have documented the impact of poor transportation on lower use of preventive and primary care and increased use of emergency department services. The provision of-- and access to-- transportation increases the likelihood of primary care physician visits in the pediatric population, HIV-positive adults, and frequent emergency room users.¹⁴ A 2010 study of low-income adults found that nearly one-quarter reported having transportation problems that had caused them to miss or reschedule a clinic appointment in the past.¹⁵

¹¹ Rosenbaum, et al.

¹² MedPAC. *Report to the Congress: Aligning Incentives in Medicare*. June 2010. page 133.

¹³ Wroth, T, Pathman, D., "Primary Medication Adherence in a Rural Population: The Role of the Patient-Physician Relationship and Satisfaction with Care," *Journal of the American Board of Family Medicine*, September-October 2006; Volume 19: No. 5.

¹⁴ Kim, J, Norton, E, Stearns, S, "Transportation Brokerage Services and Medicaid Beneficiaries" Access to Care," *Health Services Research*, 44:1, February 2009.

¹⁵ Silver, Diana, Jan Blustein, and Beth C. Weitzman. 2012. Transportation to clinic: Findings from a pilot clinic-based survey of low-income suburbanites. *Journal of Immigrant and Minority Health* 14, (2) (04): 350-5.

Under the premium assistance option, the newly eligible Medicaid beneficiaries will have health insurance but without NEMT, their access to medical services could be limited, leading to delayed care and/or increased, avoidable hospitalizations.

New Demand for Recurring Behavioral Health Services: Only about 5.5 percent of the currently uninsured who are eligible for Medicaid under expansion report having seen a mental health professional in the last year. However, according to the Kaiser Commission on Medicaid and the Uninsured,¹⁶ over 60 percent of adults with a diagnosable behavioral health disorder and 70 percent of children in need of treatment do not receive mental health services, and nearly 90 percent of people over age 12 with a substance use or dependence disorder did not receive specialty treatment for their illness. Further, a large number of uninsured adults (46% of those with mental illness and 54% of those without) reported that they had not had a check-up in the past two years¹⁷. Therefore, it has been suggested, “that there is some amount of unmet demand” and as this population gains Medicaid coverage there might be an increase in the use of mental health and substance abuse treatments.¹⁸

Treatments for behavioral health issues help patients to be productive members of society, maintain employment and care for themselves. However, the new data above shows that transportation is integral to treatment of behavioral health issues. Lack of transportation is a particular problem for beneficiaries with mental illness, as they may be adverse to their medical care and unlikely to seek a means of transportation independently. As noted above, 31.9% of the intermediary’s Medicaid NEMT rides were to behavioral health services including substance abuse treatments. To ensure the new Medicaid beneficiaries with unmet behavioral health needs receive such life sustaining treatment, states must offer NEMT to the expansion population.

Transportation Key to Dialysis Treatments: Because people on hemodialysis must receive treatment two to three times a week, reliable transportation is essential to ensure that hemodialysis patients have access to their treatment centers.¹⁹

According to the United States Renal Data System,²⁰ the majority of hemodialysis patients rely on others to transport them to and from the dialysis clinic, with 66.8% of patients being

¹⁶ Kaiser Commission on Medicaid and the Uninsured. “Mental Health Financing in the United States: A Primer.” April 2011.

¹⁷ Kaiser Commission on Medicaid and the Uninsured. “The Role of Medicaid for People with Behavioral Health Conditions.” November, 2012.

¹⁸ Truven Health Analytics. “Medicaid Expansion: Profiling the Future Medicaid-Eligible Population”. January 2012.

¹⁹ Note: Nearly 84% of people receiving dialysis (hemodialysis or peritoneal) have Medicare coverage (through Medicare fee-for-service, Medicare-Medicaid dual coverage, a Medicare HMO, or Medicare Secondary Payer coverage). Medicare does not have a non-emergency medical transportation benefit. Medicare-Medicaid dual eligibles and Medicaid beneficiaries in the three-month waiting period for ESRD Medicare coverage (for beneficiaries that will be participating in hemodialysis treatment in a dialysis facility) are eligible to use Medicaid’s NEMT service. In 2011, 14.4% of patients receiving hemodialysis and 11.6% of beneficiaries receiving peritoneal dialysis were Medicare-Medicaid dual eligibles. Data Source: U.S. Renal Data System, USRDS 2013 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases. 2013.

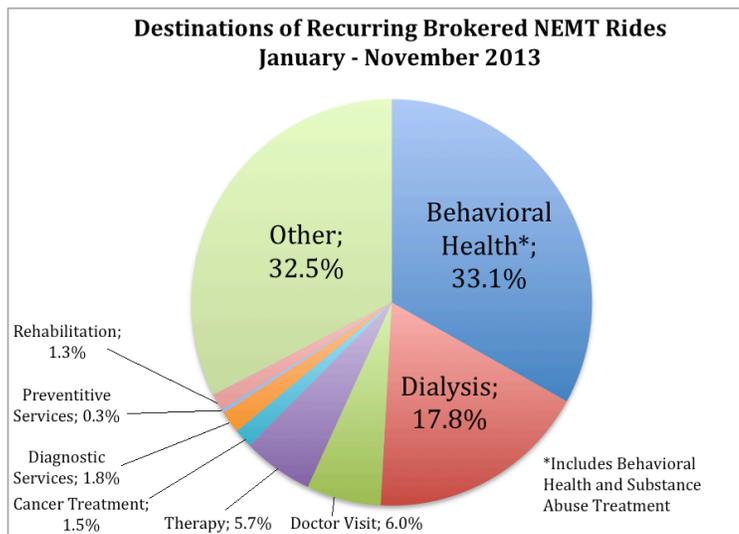
driven by others, including by ambulance. Nearly 8% relied on public transportation such as bus, subway, train or taxi while only 25.3% drove themselves or walked.

Additionally, a 2005 survey²¹ of rural North Carolina dialysis patients found that primary transportation barriers include: (1) prohibitive costs; (2) riders being ineligible for transport services; (3) insufficient transportation provider operating hours; (4) depleted transportation provider funding.

Waiving the requirement to provide NEMT to the expansion population enrolled in Medicaid through premium assistance will increase transportation barriers to dialysis services leading to poor health outcomes, increased hospitalizations, and increased transplantations or even deaths. Moreover, waiving NEMT may lead to increased use of more expensive ambulance transportation. Medicare only covers ambulance services for medical emergencies or if alternate forms of transportation could endanger the patient’s health. Nonetheless, Medicare has seen an increase in the use of ambulance transportation to non-emergency medical services, particularly to essential dialysis services, as vulnerable patients have few transportation alternatives and Medicare does not include an NEMT benefit.²²

Transportation to Treatments for Chronic Illness Are a Majority of NEMT Rides

Chronic diseases are among the most prevalent, costly, and preventable of all health problems. Medical spending has grown rapidly in recent years and is placing a significant burden on state budgets. The data provided by the Medicaid NEMT intermediary to the right shows that the majority of rides provided are for recurring transportation, meaning they occur greater than twice per week.



As mentioned above, most Medicaid NEMT rides were to services for substance abuse, dialysis or behavioral health services. Reflecting the differences in benefits and populations, the destinations of recurring rides vary by state. According to the data provided by the transportation intermediary, the states with the highest percentage of recurring rides in

²⁰ CE Latham, Obstacles to achieving adequate dialysis dose: Compliance, education, transportation, and reimbursement, American Journal of Kidney Diseases, Volume 32, Issue 6, Supplement 4, December 1998, Pages S93-S95.

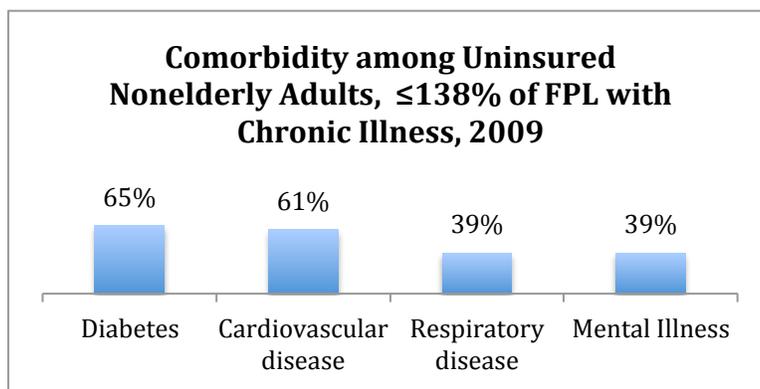
²¹ Lind, M., Sulek, J. (2005). Assessing dialysis transportation needs in rural and small urban transit systems. Urban Transit Institute: North Carolina A & T State University.

²² MedPAC. Report to the Congress; Medicare and the Health Care Delivery System. June 2013. Pages 167-193.

each category were:

Destination	State with Highest Recurring Rides	State with Second Highest Recurring Rides
Substance Abuse Treatment	Pennsylvania: 57%	Connecticut: 49.4%
Behavioral Health Services	Florida: 31.9%	New Jersey: 26.9%
Dialysis Services	Mississippi: 47.4%	Hawaii: 43.4%

Compounding the impact of the primary conditions on Medicaid beneficiaries, comorbidities are common among individuals with chronic conditions. The Kaiser Commission on Medicaid and the Uninsured found that many uninsured have physical and mental illness comorbidities as illustrated in the adjacent chart.²³



In addition to expanding health insurance coverage, several provisions of the ACA expand access to health care services that help Medicaid beneficiaries prevent and manage chronic disease. Waiving the NEMT requirement for this population will exacerbate chronic disease, increase comorbidities and result in hospitalizations that would have been avoided if treated with timely and appropriate medical care.

Medicaid NEMT Ensures the Right Type of Transportation at Lowest Cost

Providing a NEMT benefit to Medicaid beneficiaries receiving coverage through premium assistance would reduce unnecessary visits to the emergency department and overutilization of ambulance services. When these new Medicaid beneficiaries need transportation to medical care, without an NEMT benefit they are likely to call an ambulance that is only permitted to transport them to the emergency department, where they will receive care at almost 15 times the cost of routine treatment. A study conducted by Florida State University concluded that if only one percent of the medical trips funded resulted in the avoidance of an emergency room hospital visit, the payback to the State would be 1108%, or about \$11.08 for each dollar the State invested in its medical transportation program.²⁴ A NEMT benefit for this population would ensure these Members receive the preventive care needed to avoid unnecessary and more costly treatment.

²³ Table adapted from Kaiser Commission. The Role of Medicaid for Adults with Chronic Illnesses. November 2012.

²⁴ Florida Transportation Disadvantaged Programs Return On Investment Study Prepared By The Marketing Institute / Florida State University’s College of Business – Dr. J. Joseph Cronin, Jr.

Conclusion

Allowing states to waive the requirement to provide NEMT to the expansion population enrolled in Medicaid runs counter to the overall goal of the Affordable Care Act to increase access to health care services for all. Eliminating NEMT will increase transportation barriers to life sustaining services for chronic illness. Despite having health insurance, the newly eligible Medicaid beneficiaries will have poor health outcomes, increased hospitalization, or preventable deaths. Additionally, lack of an NEMT benefit will likely increase Medicaid spending through overuse of expensive ambulance services. As described in *Smith v. Vowell* forty years ago, “an untreated, 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.” The dominance of the chronically ill as users of the NEMT benefit underscores the danger of eliminating the NEMT benefit for any low-income patients, including the new Medicaid beneficiaries.