

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO <i>Myers</i>	DATE <i>4-30-08</i>
--------------------	------------------------

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000556</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>05/12/08</i> <i>Atkale D. B</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>5-12-08</i> DATE DUE _____
	<input type="checkbox"/> FOIA <input type="checkbox"/> Necessary Action

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			
2.			
3.			
4.			

RECEIVED

APR 29 2008

**MEDICAL SERVICES
DHHS**

Jonathan Grant DBA A1
Transportation
1902 Bourne St.
Georgetown, SC 29440

RECEIVED

APR 30 2008

Department of Health & Human Services
OFFICE OF THE DIRECTOR

April 16, 2008

Dear Sir or Madam:

I am writing in reference to recent problems with the Medicaid Brokerage System that I have had with my transportation company. I have been in the transportation business since 2001 in the Georgetown, SC area. I have worked as a taxi and a charter carrier and have had authority with the SC Public Service Commission since 7/20/01 and have had no problems running a reliable safe business, until now.

I have been talking with Logisticare since June 2007 and I began to do a few trips as a backup provider. These trips were always my main priority and I took care of the Medicaid recipients as my passengers. These trips have been drastically cut off and even ended totally a few weeks ago. I had been dealing with Jim Able from Logisticare and as he left for another job, so did my trips. I am one of a few safe, reliable and certified local transportation companies in Georgetown, and I believe I am the only charter/taxi that Logisticare has ever used from Georgetown. It seems now that Logisticare has brought in other carriers from out of state and they have been given many of the trips. They are now telling me I need to lower my rates and then it seems when I do they now are telling me someone else is even lower. They are using this to their favor and telling all parties involved that someone else has better rates so they can make more money themselves. Flagstrip is a company that Logisticare has dealt with from Georgia and they are now doing numerous trips in Myrtle Beach and Georgetown. Need A Ride is another company from a Northern State that has been operating for 6 months, 5 months of that they were operating illegally with no authority from the Public Service Commission.

Logisticare has also begun to use many volunteer drivers in the area. They pay these drivers .43 - .48 a mile and hardly check any paperwork on these vehicles. They check the driving record and the insurance when they sign up, but weeks later they are driving different uninsured cars and begging for gas money to get the Medicaid recipients where they need to go. This is no way to protect these individuals that need reliable transportation for medical reasons. These individuals also should fall under the authority of the Public Service Commission also. Many of these volunteer drivers group the individuals together so they get paid more and then they are making more than the transportation companies and they have no commercial insurance and what would happen if they were in an accident and the insurance company found out they were acting as a transportation company?

I just want someone to look into how this Medicaid Brokerage system is being run by Logisticare. They want me to do trips for \$1.30 a mile. This is going to drive the companies out of business as knowing what the State requirements are on insurance there is no way to maintain your vehicles and also pay your bills. Logisticare seems to have favorites they use even though they are paying them \$2.50 a mile and they are not local companies that know the area and the people like I do.

I want to do the work for Logisticare but until they can have some set standards and quit changing rates every week there can be no consistency. Gas is going up along with insurance rates and Logisticare wants to lower rates. If we are to maintain our vehicles as the Public Service Commission and Office of Regulatory Staff state there is no way we or anyone can operate at these low rates. Safety should be a priority and not trying to get the cheapest carriers possible, because this will lead to unsafe vehicles and possibly uninsured motorists as they can not pay for the appropriate needs.

Please contact me with any questions as I am willing to help. We need reliable transportation providers in the Georgetown area and this Medicaid brokerage system is ruining the industry.

Sincerely,



Jonathan Grant
Owner A1 Transportation

(843)240-9559
543-5466

Log m
to Myers/Hamilton

cc: Singleton



State of South Carolina
Department of Health and Human Services

Log # 556
✓

Mark Sanford
Governor

Emma Fortner
Director

May 12, 2008

Mr. Jonathan Grant
Proprietor and Owner
A1 Transportation
1902 Bourne Street
Georgetown, South Carolina 29440

Dear Mr. Grant:

The Department of Health and Human Services (DHHS) wishes to thank you for your recent letter that shared your position and outlines difficulties with the broker transport policy. Your comments and views regarding the way broker policies and management decisions affect your ability to provide non-emergency transportation services are appreciated.

As stated in your letter, the Office of Regulatory Staff (ORS) sets standards and provides licensure for Transportation Providers. Medicaid brokers will only reimburse providers who are in compliance with all current ORS regulations. DHHS has recently clarified existing Medicaid transport policy and regulation to improve accountability and to prevent substandard practices you may have observed in the field.

Please be aware that DHHS has contracted with the regional Broker (LogistiCare) to deliver transportation services through an established network of providers. DHHS has contacted LogistiCare to review and address the concerns you reported. Ms. Cindy Franklin, Operations Director for Logisticare, should contact you directly on this matter. You can expect the Broker to take the action required to ensure adequate transportation is being furnished to Medicaid beneficiaries.

If you need additional information, please contact Ms. Sheila Platts at 803.898.2613.

Sincerely,


Felicity Myers
Deputy Director

FM/hpm