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Subject: RFP for NEMT Coordinator -- Questions from Medicaid Transportation Advisory Committee

Good Morning David,

As you may know I serve as chairperson of DHHS's Medicaid Transportation Advisory Committee (MTAC), which was established by Act 172 of 2007. At our recent committee meeting questions were posed related to the pending RFP for the Non-Emergency Medicaid Transportation Coordinator. At that time we learned DHHS staff is restricted by the procurement process to respond or comment on items/questions that have been posed by and to various committee members. Since the key role of the MTAC is to review issues and complaints and make recommendations, the committee felt it important that we share the following questions/concerns with you. This is a list of questions compiled from various sources that were submitted to me as the MTAC chairperson. They may or may not represent the position of the MTAC committee members, but we felt it important that DHHS have knowledge of questions/concerns that are in the public domain.

Please let me know if you have questions or need additional information. Thank you for your time in reviewing these items.

Coretta Bedsole

Provider Rates:

A general question has been posed to me related to how provider rates were determined and would providers or the Transportation Coordinator have an opportunity to discuss revised rates with DHHS.

Re-routes:

The following comments were offered regarding re-routes.

- a. Re-Routes should include Valid and Invalid options.
- b. Providers need multiple options to correctly identify why they are re-routing trips.
- c. Liquidated damages should not be assessed by any source until the reason for the re-routes are clearly determined and the percentages being reported are tested and shown to be factual.
- d. A client requesting a provider can be re-routed within the set guidelines without being penalized.
- e. All trips sent through any auto system or by phone from the broker to the provider outside of the set guidelines should not be held to the rates set by the RFP. The trip would fall outside of the set parameters and should be priced reasonably between the two parties.

Equipment:

1. Page 34 # 9 Requirement of Car Seats
 - a. Providers are not capable of transporting a car seat that will meet the needs of each client. It is not possible to predict the variety of seats you will need to accomplish this request. (children being transported in a seat not meant for the child's weight or height is a danger to the child and a liability to the state and company).
 - b. Providers should not be held responsible for tracking recalls on car seats.
 - c. Providers should not be held responsible for the liability of a child's car seat. The child is most likely transported in other vehicles and should use the same car seat when one of our providers' transports the child.
 - d. Providing a car seat for the clients adds an additional cost to the already list of items required by the state.
2. Page 33 #6 Arrange wheel chair for transportation
 - a. Providers should not be required to keep an additional wheel chair in each vehicle if there is no room in the vehicle to store the wheel chair.
 - b. Providers should have the option to participate in this arrangement, rather than a requirement.
 - c. Providers should not carry the liability of providing a wheel chair to clients
3. Brokers must be capable of accepting the terms Additional Insured and Designated insured.

Procedural Items:

- a. Accepting the two terms will allow transportation providers the ability to access additional insurance companies. This will save the companies cost with the continuous increase in insurance and the number of companies no longer interested in the Non-Emergency industry.
4. 90% Multi-loading requirement
 - a. Providers must have the knowledge of how this requirement will be tracked and documentation of the test performed showing adequate results
 - b. Providers and brokers should not be liquidated on a 90% multi-loading requirement
 - i. This requirement does not take into consideration geographical differences in each region
5. Clients should be ready to board within 10 minutes of the provider arriving at pick up location
 - a. Broker should be required to inform client of a possible pick up within 30 minutes of scheduled pick up time
6. 46 H 1 Proposed payment to providers - 90% within 30 days, 99% within 90 days.

Reimbursement/Financial Considerations:

- a. Providers should be paid for all valid invoices within 30 days.
- b. The state of SC and the Broker administrating the transportation for SC should not hold back

payments due to the provider. The provider has spent the money to transport the client and she be paid within 30 days for 100% of all valid trips performed.

7. Rate Structure for Transportation Providers

- a. Providers are not financially capable of transporting at the current rate listed in the RFP
The rate is a cut in cost when reaching over the 20 mile trips.
- b. Providers need a gas provision in the RFP.
- c. The current rate structure does not mitigate increased provider costs associated with the implementation of the Affordable Care Act.
- d. Providers need a provision for any changes with minimum wage
- e. The rate structure does not list any increases or provisions for economic inflation or changes that could affect our companies such as insurance cost.

8. Page 37 F-7 Sub-letter N&O Broker should pay provision for no shows & wait time.

- a. Brokers should be required to pass along the funds paid to them for No shows and wait time
- b. Providers should not be penalized because a client did not ride. The funds paid for the trip should be passed along to the provider at a minimum of \$5.00 per no show

9. Proposed rates by the Transportation providers

- a. All trips should be paid differently than any other trip. The same amount of expenses are incurred to perform all trips.

Ambulatory Rates from mile 1-45

\$13.50 Load Fee \$1.80 mile

\$13.50 No show fee

\$20.00 an hour Wait time after one hour

Ambulatory rates from Mile 46 and up

\$13.50 Load Fee \$1.60 mile

\$13.50 No Show Fee

\$20.00 Wait time after one hour

Wheel Chair rates from mile 1 and up

\$25.00 Load Fee \$1.90 a mile

\$25.00 No show fee

Stretcher Rates mile 1 and up

\$100.00 Load fee 1.25 mile

\$25.00 No Show fee

\$20.00 per hour Wait time after the first hour

10. Liquidated Damages

- a. Liquidated damages need to be removed from the current RFP.
- b. The percentages used to determine OTP currently do not calculate appropriately to liquidate a provider.
 - i. OTP requirements were increased in the current RFP but do not reflect the state wide average.
 - ii. A Leg Drop off and B leg pick-up trips are not adequately calculated based on the satisfaction of the customer and restrains the provider from providing our citizens the transportation they previously received.
- c. Brokers should be required to establish a formal reason why a provider is not performing and a response from the provider on why they feel they are not meeting the OTP. There needs to be a 90 trial period for both parties to report and correct the OTP issue.
- d. Providers are not paid adequately to absorb liquidated damages.
- e. The transportation provider network needs to stabilize in SC. In order to accomplish this the Broker and the Provider must have a formal process to adhere to when determining what the cause for OTP issues are. The OTP issues do not always lie in the Transportation providers lap. The broker must be held accountable for any OTP issues they have passed onto the provider.
- f. Until there is a clear understanding of what can cause OTP issues on behalf of the Broker and the Provider and a solution to help stabilize the issue, Transportation providers should not have to pay the penalty for both parties.

- g. Brokers should be required to provide OTP % within 15 days of month end.
 - i. Providers should be required to bill all trips within 10 days of month end.
- h. Transportation providers should not wait for an extensive amount of time to determine issues within their company

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