

**State of Iowa**

**Department of Human Services**

**Report to the Iowa General Assembly**

**Medical Transportation Costs for IowaCare**

**Senate File 2356 – 83rd General Assembly**

**December 15, 2010**

## **Table of Contents**

Authorizing Legislation .....	3
Background.....	3
Broadlawns Medical Center .....	4
University of Iowa Hospitals and Clinics.....	5
Ambulance Services.....	6
Ambulance Services.....	6
Conclusion .....	7

## **Authorizing Legislation**

Senate File 2356 mandates that a report on the transportation costs for IowaCare members be prepared by the department and reported to the General Assembly by December 15, 2010. Specifically,

Sec. 3. REVIEW OF MEDICAL TRANSPORTATION COSTS FOR IOWACARE. The department of human services shall review the costs of transportation to and from a provider included in the expansion population provider network under the IowaCare program. The department shall report the results of the review to the general assembly by December 15, 2010.

## **Background**

Transportation to and from providers has historically been a challenge for many IowaCare members. Prior to October 1, 2010, members living in Polk County received care only at Broadlawns Medical Center (BMC) and members living in any other county received services only at the University of Iowa Hospitals and Clinics (UIHC). Transportation costs of any kind are not reimbursed under the IowaCare program; therefore, both UIHC and BMC have worked to coordinate and cover the expenses of transportation to and from appointments for their patients. However, this does not extend to ambulance services. Additionally, the Federally Qualified Health Centers (FQHCs) that implemented October 1, 2010 can choose to cover transportation, but it is not required as it is not a service reimbursable under IowaCare. This is true to the extent that a provider can choose whether or not to cover any services not reimbursed under IowaCare.

Given increased access to local health care services, one expects both utilization of services and enrollment to increase. It can therefore be expected that the need for transportation will increase. Finally, if transportation services were available to all members at all times, it could be assumed that demand for services would increase.

Following is information regarding transportation services provided by BMC and UIHC and utilization of ambulance services by IowaCare members.

## Broadlawns Medical Center

Broadlawns coordinates and pays for transportation services, including bus fares, cab/taxis, and ambulance services, for many of their IowaCare patients.

Broadlawns' Department of Social Services coordinates the purchase and payment of DART bus tokens (full and half price) and cab/taxi passes. The chart below outlines the month-by-month expenditures on transportation for IowaCare members as reported by Broadlawns.

The biggest challenges associated with the cab/taxi passes and bus tokens are: more demand than resources, increasing fare prices, and providing equitable distribution of resources over Broadlawns' fiscal year. In SFY10, \$15,000 was budgeted for bus and cab/taxi passes. Funds were more evenly spent on a monthly basis; however, tokens and passes are provided on a first come, first serve basis. This often resulted in being "short" tokens and passes at the end of each month.

<b>Broadlawns Transportation Expenditures - SFY2010</b>				
<b>Month</b>	<b>Bus token Full Fare</b>	<b>Bus token Half Fare</b>	<b>Cab Passes \$\$</b>	<b>Total \$\$</b>
<i>Jul-09</i>	\$339.60	\$99.75	\$759.90	<b>\$1,199.25</b>
<i>Aug-09</i>	\$540.00	\$97.50	\$711.20	<b>\$1,348.70</b>
<i>Sep-09</i>	\$540.00	\$97.50	\$478.90	<b>\$1,116.40</b>
<i>Oct-09</i>	\$540.00	\$97.50	\$627.20	<b>\$1,264.70</b>
<i>Nov-09</i>	\$540.00	\$97.50	\$547.70	<b>\$1,185.20</b>
<i>Dec-09</i>	\$540.00	\$97.50	\$828.10	<b>\$1,465.60</b>
<i>Jan-10</i>	\$540.00	\$97.55	\$853.50	<b>\$1,491.05</b>
<i>Feb-10</i>	\$540.00	\$97.55	\$792.70	<b>\$1,430.25</b>
<i>Mar-10</i>	\$540.00	\$97.55	\$545.20	<b>\$1,182.75</b>
<i>Apr-10</i>	\$540.00	\$97.50	\$697.30	<b>\$1,334.80</b>
<i>May-10</i>	\$540.00	\$97.50	\$735.40	<b>\$1,372.90</b>
<i>Jun-10</i>	\$630.00	\$87.75	\$598.90	<b>\$1,316.65</b>
<b>Grand Total</b>	<b>\$6,369.60</b>	<b>\$1,162.65</b>	<b>\$7,312.70</b>	<b>\$15,708.25</b>

Broadlawns also contracts with an ambulance company to provide ambulance services to IowaCare members. Total expenditures for SFY10 were \$126,102.74. This total does not include other ambulance vendors, including air ambulances, which may have been called outside of contract.

In total, Broadlawns reported spending \$141,810.99 on all transportation services in SFY10.

## **University of Iowa Hospitals and Clinics**

The University of Iowa Hospitals and Clinics' (UIHC) Patient Transportation Department currently provides subsidized door-to-door service for IowaCare patients with scheduled medical appointments at the UIHC if they are assigned to the UIHC's medical home or have not been assigned to a medical home. The transportation service reduces the IowaCare patient expenses at the UIHC for parking and gas. In addition, many patients have indicated a lack of reliable transportation and no family resources to assist with transportation to appointments and this service meets their needs.

This service is delivered via a fleet of vans owned and operated by the UIHC. Patients are picked up at their home address and returned to their home address at no expense to them. Arrival time is approximately 10:30am at the UIHC daily and, for patients returning home the same day, departure time from the UIHC is 3:00pm. Appointments are scheduled during this block of time to accommodate the van schedule. Patients living in western Iowa who require overnight accommodations depart the next morning at 9:00 am from UIHC. Overnight accommodation expenses, as well as food expenses, are the patient's responsibility when utilizing the Patient Transportation service.

Escort services are available for patients who require extra care during the trip. Wheelchair service, as well as a cot service, is available for non-ambulatory patients. Patients with scheduled procedures requiring an attendant post-procedure are allowed to have the attendant ride as well. During FY10 a total of 2,054 trips which covered 667,387 miles were made to accommodate 8,543 passengers, some of which made multiple trips to UIHC during the fiscal year. The UIHC subsidizes this service by approximately \$500,000 yearly.

## Ambulance Services

Information was provided to the Department by the Iowa Emergency Medical Services Association regarding expenses for ambulance services from a variety of sources in communities across Iowa. Information was not received regarding if IowaCare patients were billed, if money was collected and if the amount below reflects payment, or if the charges were at Medicaid rates. The chart below provides detailed information.

2009 Ambulance Expenses		
Department	Community	2009 Charges for IowaCare Patients*
Anamosa Ambulance	Anamosa	\$8,412.37
Area Ambulance	Cedar Rapids	\$39,140.00
Clarinda	Clarinda	\$16,710.00
Clark Hospital	Osceola	\$25,546.00
Clive Fire Department	Clive	\$10,544.00
Estherville Ambulance Service	Estherville	\$13,400.00
Guttenburg Ambulance	Guttenburg	\$9,412.00
Iowa County EMS	Iowa County	\$28,560.00
Lee County EMS	Lee County	\$52,662.00
Midwest Ambulance Service	Urbandale	\$25,000.00
Muscatine Fire Department	Muscatine	\$45,374.00
ORMICS Hospital	Ottumwa	\$80,310.00
Pocahontas Hospital Ambulance Service	Pocahontas County	\$17,750.00
Wapello Ambulance	Wapello	\$5,500.00
Washington County Ambulance	Washington County	\$32,003.00
Wheaton Franciscan Healthcare		\$83,000.00
<b>Grand Total</b>		<b>\$493,323.37</b>

\* Information regarding the amount of charges billed to or collected from IowaCare members by ambulance providers listed above was not provided to the State.

## **Conclusion**

Although the IowaCare Program is a limited benefit program, not covering transportation services for IowaCare members is an issue as it creates a barrier for patients to access covered services, places financial burden on those providers who cover these costs, and creates frustration for members. The problem has been exacerbated with the record-high gas prices of the past two years.

However, there are many other services not covered by IowaCare for which providers are absorbing the cost. These services include prescription drugs, durable medical equipment, rehabilitation, long term care, and others.

Adding reimbursement for transportation would have a fiscal impact to the state and impact the federal budget neutrality cap.