



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

INFORMATIONAL LETTER NO.1342

DATE: January 15, 2014

TO: Iowa Medicaid Home and Community Based Services (HCBS) Providers, Case Managers (CM), Targeted Case Managers (TCM), Department of Human Services (DHS) Service Workers, and Income Maintenance Workers (IMW)

FROM: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: HCBS Waiver Transportation Reimbursement Rates

EFFECTIVE: Immediately

This letter is to provide clarification regarding the notice that effective October 1, 2013, HCBS transportation payment will be the same as the payment negotiated by the Medicaid Non-Emergency Medical Transportation (NEMT) broker.

Pursuant to the authority of Iowa Code section 249A.4 and 2013 Iowa Acts, Senate File 446, section 13, the Department of Human Services (DHS) has amended Chapter 77, "Conditions of Participation for Providers of Medical and Remedial Care," Chapter 78, "Amount, Duration and Scope of Medical and Remedial Services," and Chapter 79, "Other Policies Relating to Providers of Medical and Remedial Care," Iowa Administrative Code.

These amendments require Home and Community Based Services (HCBS) Waiver Transportation Reimbursement Rates to be paid at the same per trip or per mile rate that is paid by the NEMT broker to the HCBS Waiver provider for NEMT contracted services. For those providers that do not have a contracted rate, the waiver rate paid would be the provider's rate not to exceed the upper rate limits paid per mile for the member's Mental Health and Disability Services (MHDS) region. For providers wishing to charge the per trip code, instructions are furnished on the right hand column of the [MHDS Regional Average NEMT Rates for HCBS Waiver Transportation](#).

These amendments have been made because current HCBS waiver transportation providers may be paid a different rate than the NEMT broker reimbursement. The waiver and NEMT transportation rates are difficult to determine due to different methodologies within current rules. Waiver rules currently state that the rate paid is a fee schedule or county contract rate. Therefore, this change provides consistency for the provider, the member, and the state.

By September 30, 2014, all HCBS waiver transportation services will be authorized and reimbursed at the HCBS transportation provider's NEMT contracted rate or the lesser of the provider's rate or the published weighted average rate paid per mile within the member's MHDS region. These published rates are considered the upper rate limit. Providers may charge no more than the published rate per mile. The IME intends to audit reimbursements to ensure that providers are reimbursed according to their NEMT contract or according to the region in which the member resides, whichever is applicable.

Members using HCBS Transportation service providers that contract with TMS Management Group, Inc.

As waiver transportation services are added to a member's service plan or existing transportation services are reauthorized, the Case Managers (CM), Targeted Case Managers (TCM), or Service

Workers (SW), will need to change the current HCBS transportation rate listed in the member's service plan in the Individualized Services Information System (ISIS) to the HCBS provider's NEMT contracted per trip or per mile rate. The CM, TCM, or SW must also issue the provider a Notice of Decision (NOD). Providers that contract with TMS to provide non-emergency medical transportation will determine the member's per trip or per mile rate based on the provider's NEMT contract and the member's specific transportation needs. The IME will verify the provider's reimbursement with the contracted rates provided by TMS.

Members using HCBS transportation service providers that do not contract with TMS

As waiver transportation services are added to a member's service plan or existing transportation services are reauthorized, the CM, TCM, or SW will need to refer to the published [MHDS Regional Average NEMT Rates for HCBS Waiver Transportation](#).

- **If the provider's rate is in excess of the published rates:**
The CM, TCM, or SW will change the current HCBS transportation rate listed in the member's service plan in ISIS to the rate per mile published for the region in which the member resides.
- **If the provider's rate is less than the published rate for the member's MHDS region:**
No change is necessary as the published rates are the upper rate limits for each MHDS region.

HCBS Transportation and Supported Community Living (SCL) Services

A provider may include the costs of transportation that are directly associated with the provision of SCL services in their reimbursement rate. Transportation is also a stand-alone service in the Intellectual Disability (ID) and Brain Injury (BI) Waiver programs that provides payment for transporting a member:

1. to conduct business errands
2. to do essential shopping
3. to receive medical services
4. to and from work or day programs
5. to reduce social isolation

The intent of this amendment is to clarify that a provider may not simultaneously bill for SCL services and transportation (the service) when the provider is including the cost of transportation in the SCL rate. This would be considered double billing Medicaid for the same service.

Transportation services funded by sources other than Medicaid (county/region, grant, etc.)

The counties or regions may choose to continue to contract with transportation providers using the county's current methodology of reimbursement. However, a transportation provider may not charge Medicaid members more for transportation than it charges the general public, including county funded transportation services.

NEMT and Waiver Transportation Services

As a reminder, transportation of waiver members to key services may still be provided either as a waiver service or through the NEMT broker. All waiver transportation must be authorized in the service plan.

If you have any questions please contact LeAnn Moskowitz, Program Manager, by telephone at (515) 256-4653 or by email at lmoskow@dhs.state.ia.us.