

## **HUMAN SERVICES DEPARTMENT[441]**

### **Adopted and Filed**

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services amends Chapter 78, “Amount, Duration and Scope of Medical and Remedial Services,” Iowa Administrative Code.

These proposed amendments are in accordance with a new request for proposal (RFP) for Iowa Medicaid’s Non-Emergency Medical Transportation (NEMT) program. These amendments would eliminate the two-business-day advance notice for mileage reimbursement trips. These amendments also define a time frame within which a member or transportation provider may submit a claim to the broker for reimbursement.

In the recent past, there has been a shift in NEMT trips classified as mileage reimbursement, from 73 percent of all NEMT trips as measured October to December 2010 to only 46 percent of NEMT trips as measured January to March 2013. This shift means the majority of the current trips are provider rides, which are more costly. By eliminating the two-business-day advance notice for members who require only mileage reimbursement, the Department is anticipating a greater incentive for members to drive themselves and thus reduce program costs.

Most states with a brokerage require members to submit claims within 60 to 120 days from the date of service. Rules in Chapter 80 address medical and remedial care providers’ submission of claims for services rendered. These amendments propose new provisions for members’ submission of claims.

Notice of Intended Action was published in the Iowa Administrative Bulletin as **ARC 1901C** on March 4, 2015. The Department received no comments during the public comment

period. These amendments are identical to those published as Notice of Intended Action.

The Council of Human Services adopted these amendments on April 8, 2015.

These amendments do not provide for waivers in specified situations because requests for the waiver of any rule may be submitted under the Department's general rule on exceptions at 441—1.8(17A,217).

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 249A.4.

These amendments will become effective July 1, 2015.

The following amendments are adopted.

ITEM 1. Amend paragraph **78.13(3)“a”** as follows:

a. Member request. When a member needs nonemergency transportation to receive medical care provided by the Iowa Medicaid program, the member must contact the broker with as much advance notice as possible, but not more than 30 days' advance notice.

(1) Generally, ~~the member~~ members who require a ride from a transportation provider scheduled by the broker must contact the broker at least two business days in advance of the member's appointment to schedule the transportation. For purposes of calculating the two-business-day notice obligation, the advance notice includes the day of the medical appointment but not the day of the telephone call.

(2) If the member's nonemergency transportation ~~needs make~~ need for a ride from a transportation provider scheduled by the broker makes the provision of two business days' notice impossible because of the member's urgent transportation need, the member must provide as much advance notice as is possible before the transportation need so that the broker can appropriately schedule the most economical form of transportation for the member. Urgent

transportation needs for a ride from a transportation provider scheduled by the broker are limited to unscheduled episodic situations in which there is no immediate threat to life or limb but which require that the broker schedule transportation with less than two business days' notice.

Examples of urgent trips include, but are not limited to:

1. Postsurgical or medical follow-up care specified by a health care provider;
2. Unexpected preoperative appointments;
3. Hospital discharges;
4. Appointments for new medical conditions or tests; and
5. Dialysis.

(3) The two-business-day advance notice obligation does not apply when the member requests only mileage reimbursement. To be eligible for mileage reimbursement:

1. The member must notify the broker no later than the day of the trip;
2. The transportation must be provided by a driver with a valid driver's license and insurance coverage on the vehicle at the time of the transport; and
3. The other requirements of rule 441—78.13(249A) must be met.

ITEM 2. Adopt the following **new** paragraph **78.13(3)“i”**:

i. Member claim submission. Members must submit claims and supporting documentation to the broker within 120 days of the date of service. The broker shall deny member claims submitted more than 120 days from the date of service.

## Information on Proposed Rules

Name of Program Specialist	Telephone Number	E-mail Address
Tim Weltzin	515-256-4633	tweltzi@dhs.state.ia.us

1.	<p>Give a brief summary of the rule changes:</p> <p>The rules have been revised to align with the new request for proposal (RFP) MED-16-003. In the RFP we inform bidders we are eliminating the two-business-day advance notice for mileage reimbursement trips and we also define a timeframe for which a member or transportation provider can submit a claim to the broker for reimbursement.</p>
2.	<p>What is the reason for the Department to request these changes?</p> <p>There has also been a shift from approximately 73% of the trips (Oct -Dec 2010) were mileage reimbursement to only 46% of the trips (Jan – Mar 2013) were mileage reimbursement trips which means the majority of the current trips are the more costly provider rides. By eliminating the two-day advance notice for members who only require mileage reimbursement, the Department is hoping for a greater incentive for members to drive themselves and thus reduce program costs.</p> <p>Most states with a brokerage require members to submit claims within 60 -120 days from the date of service. 441 IAC Chapter 80 rules are centered on medical and remedial providers submitting claims for services rendered. Iowa does not have a rule until now, for member claim submission.</p>
3.	<p>What will be the effect of the rule adoption? (who, what, when, how)?</p> <p>To continue to provide NEMT services to as many eligible members as possible and maintain cost neutrality.</p>
4.	<p>Is the change mandated by State or Federal Law? (Cite the authorizing state and federal statutes and federal regulations)</p> <p>No.</p>
5.	<p>Will anyone be affected by this rule change? If yes who will be affected and will it be to the person(s) benefit or detriment?</p> <p>Members who will receive a benefit are:</p> <p>a. Members who drive themselves and receive mileage reimbursement will not have to book their trips two days in advance. They will be reimbursed for claims as long as they call on the day of the trip to a Medicaid enrolled provider for a Medicaid covered service, and the driver and vehicle is properly licensed and insured. 78.13(1)(a)(1)</p> <p>Members who will have limits put on them are:</p> <p>a. Members who require mileage, meal, and lodging reimbursement must submit their claims and supporting documentation to the broker within 120 days from the date of service or medical treatment. 78.13(i)</p> <p>These changes are consistent with other state’s rules.</p>
6.	<p>What are the potential benefits of this rule?</p> <p>The Department expects to provide an incentive to members to drive themselves and submit claims promptly. This will result in a more efficient, economic, and quality program.</p>

<p>7. What are the potential costs, to the regulated community or the State of Iowa as a whole, of this rule? None.</p>
<p>8. Do any other agencies regulate in this area? If so, what agencies and what Administrative Code Sections apply? No.</p>
<p>9. What alternatives to direct regulation in this area are available to the agency? Why were other alternatives not used? Our current rules require all members to book their trips two business days in advance. Our goal is to shift more monthly trips to mileage reimbursement.</p>
<p>10. Does this rule contain a waiver provision? If not, why? Waivers aren't provided, as the brokerage system applies to all Medicaid Members who are eligible to receive non-emergency medical transportation services.</p>
<p>11. Do these rules have an impact on private-sector jobs and employment opportunities in Iowa? (If yes, describe nature of impact, categories and number of jobs affected, state regions affected, costs to employer per employee) No.</p>

# ADMINISTRATIVE RULE FISCAL IMPACT STATEMENT

Date: February 2, 2015

**Agency:** Human Services  
**IAC citation:** 441 IAC  
**Agency contact:** Tim Weltzin

**Summary of the rule:**

The rules have been revised to align with the new request for proposal (RFP) MED-16-003. In the RFP we inform bidders we are eliminating the two-business-day advance notice for mileage reimbursement trips and we also define a timeframe for which a member or transportation provider can submit a claim to the broker for reimbursement.

*Fill in this box if the impact meets these criteria:*

No fiscal impact to the state.

Fiscal impact of less than \$100,000 annually or \$500,000 over 5 years.

Fiscal impact cannot be determined.

**Brief explanation:**

This rule change will not increase state costs, and may eventually result in some savings. By eliminating the two-day advance notice for members who only require mileage reimbursement, the Department is hoping for a greater incentive for members to drive themselves and thus reduce program costs.

*Fill in the form below if the impact does not fit the criteria above:*

Fiscal impact of \$100,000 annually or \$500,000 over 5 years.

**Assumptions:**

**Describe how estimates were derived:**

**Estimated Impact to the State by Fiscal Year**

	<u>Year 1 (SFY16)</u>	<u>Year 2 (SFY17)</u>
<b>Revenue by each source:</b>		
General fund	_____	_____
Federal funds	_____	_____
Other (specify):	_____	_____
<b>TOTAL REVENUE</b>	_____	_____
<b>Expenditures:</b>		
General fund	_____	_____
Federal funds	_____	_____
Other (specify):	_____	_____
<b>TOTAL EXPENDITURES</b>	_____	_____
<b>NET IMPACT</b>	<u>Savings &lt; \$100,000</u>	<u>Savings &lt; \$100,000</u>

\_\_\_\_\_ This rule is required by state law or federal mandate.  
*Please identify the state or federal law:*

\_\_\_\_\_ Funding has been provided for the rule change.  
*Please identify the amount provided and the funding source:*

Funding has not been provided for the rule.  
*Please explain how the agency will pay for the rule change:*  
 This rule change will not increase state costs, and may eventually result in some savings.

***Fiscal impact to persons affected by the rule:***

Members who drive themselves and receive mileage reimbursement will not have to book their trips two days in advance. They will be reimbursed for claims as long as they call on the day of the trip to a Medicaid enrolled provider for a Medicaid covered service, and the driver and vehicle is properly licensed and insured. 78.13(1)(a)(1). Members who require mileage, meal, and lodging reimbursement must submit their claims and supporting documentation to the broker within 120 days from the date of service or medical treatment. 78.13(i).

***Fiscal impact to counties or other local governments (required by Iowa Code 25B.6):***

No impact is anticipated.

Agency representative preparing estimate: Joe Havig  
 Telephone number: 515-281-6022