



Report to the Mississippi Legislature

A Review of the Procurement and Implementation of the Division of Medicaid's Non-Emergency Transportation Brokerage Contract

#605
November 1, 2016



Joint Legislative Committee on Performance
Evaluation and Expenditure Review

PEER: The Mississippi Legislature's Oversight Agency

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The Mississippi Legislature

Joint Committee on Performance Evaluation and Expenditure Review
PEER Committee

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November 1, 2016

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Honorable Philip Gunn, Speaker of the House
Members of the Mississippi State Legislature

On November 1, 2016, the PEER Committee authorized release of the report titled **A Review of the Procurement and Implementation of the Division of Medicaid's Non-Emergency Transportation Brokerage Contract.**

A handwritten signature in black ink that reads "Tommy Gollott".

Senator Tommy A. Gollott, Chair

This report does not recommend increased funding or additional staff.

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A Review of the Procurement and Implementation of the Division of Medicaid's Non-Emergency Transportation Brokerage Contract

Executive Summary

Introduction

PEER received a legislative request to review the Division of Medicaid's (DOM) non-emergency transportation (NET) program. The request was prompted by concerns regarding the DOM's process for procuring the NET brokerage contract, access to and quality of services provided to eligible Medicaid NET beneficiaries, and the complaint-resolution process for transportation providers that participate in the NET program.

A Medicaid non-emergency transportation program provides trips to and from scheduled Medicaid-enrolled provider appointments for eligible Medicaid beneficiaries. Mississippi currently uses the private brokerage service delivery model, in which the State contracts with a private company to connect riders with transportation providers.

The DOM's current NET broker is Medical Transportation Management Inc. The contract term is March 1, 2014, through June 30, 2017. According to the DOM, in fiscal year 2015 MTM provided 809,555 authorized one-way trips to 33,192 Medicaid beneficiaries. These trips included rides to and from Medicaid-covered health-care services through a NET provider network of 53 providers with 713 drivers and 700 vehicles.

What process did the DOM use to procure the current brokerage contract for operating the NET program in Mississippi?

States choosing to use the brokerage model must use a competitive procurement process when selecting a broker, as required by 42 C.F.R. § 440.170. Because the contract amount would exceed \$75,000, the DOM was subject to the contract procurement regulations of the Personal Services Contract Review Board (PSCRB) when procuring NET broker services.

The DOM evaluated proposals for the NET contract based on their cost components for a maximum of 1,000 points (700-point maximum for the technical proposal and 300-point maximum for the business/cost proposal). See Exhibit A, page ix.

According to the RFP, proposals for the NET broker contract had to fully and specifically describe and demonstrate brokers' ability to screen, authorize, schedule, and assign trips to NET transportation providers and communicate the information in a timely and efficient manner. The RFP outlined every requirement and responsibility of potential brokers; thus, proposals included documentation showing that the broker could satisfy the requirements of the RFP.

Three of the five proposals submitted met the 70% technical score threshold for consideration in the business/cost evaluation phase.

During the business/cost evaluation phase, the DOM assigned the maximum 300 points to the proposal with the lowest bid price. The DOM assigned all other proposals points based on the following formula:

$$x \div y \times 300 = z$$

Where x was the lowest bid price, y was the offeror's bid price, and z equaled the number of assigned points.

Although MTM did not have the lowest cost proposal and thus did not receive the 300 points, its overall score was the highest, and the DOM awarded MTM the contract.

In response to the previous contract holder's appeal of the contract award, the Hinds County Chancery Court affirmed the Division of Medicaid's decision to award the non-emergency transportation contract to MTM, noting that the DOM had met and exceeded the requirements of the PSCRB for contract procurement.

Should the DOM change its NET contract procurement process?

The DOM's present method of evaluating bidders' technical proposals is designed to ensure that brokers can deliver the required core NET services before they can proceed to the business/cost proposal phase. The scoring rubric used by DOM for proposals is similar to that used by other states in their RFPs for NET services. Because of the similar levels of service among NET brokers, the DOM could be missing an opportunity to increase cost competition for the NET contract by not assigning a greater weight to cost in the evaluation process. The DOM could assign more weight to bidders' business/cost proposals, continue to award the highest number of points for the lowest cost contract, and potentially save the State money on the NET program.

Exhibit A: Possible Points for Bidders' Technical Proposal Scores

Technical Proposal Section	Maximum Score
Executive Summary/Understanding of Project	15
Corporate Background and Experience	75
Organization and Staffing	131
Methodology	400
Project Management and Control	50
Work Plan and Schedule	29
TOTAL	700

SOURCE: DOM's RFP.

DOM is currently developing an RFP to procure a new NET brokerage contract with a transition phase from January 2017 through June 2017 and an effective service delivery date of July 1, 2017. One primary change in the upcoming RFP will be a new per member per month procured rate payment methodology focused on service delivery (based on utilization data and transportation type). Using such a payment methodology instead of reimbursing claims for each trip could result in an overall decrease in trip costs for utilization within the NET program.

How does MTM arrange non-emergency transportation for beneficiaries, and what are the performance standards of the NET brokerage contract?

MTM handles intake of service requests for all non-emergency transportation services in Mississippi. When it has authorized a service request and determined the appropriate mode of transport, its NET Management System searches for available transportation providers. A customer service representative then selects a provider and sends trip information electronically to the transportation provider so that the request can be completed.

The NET brokerage contract contains the following performance standards:

- The broker shall ensure that the average waiting time for pickup does not exceed 15 minutes.
- The broker shall notify the NET provider of the assignment at least two business days prior to the trip, if possible, and shall timely assign the trip to another NET provider if necessary. For hospital discharges, the broker shall contact an appropriate NET provider so that pickup occurs within three hours after notification.

- The broker shall authorize and schedule routine NET services for 98% of all requests within three business days after receipt of the request.
- The broker shall authorize and schedule routine NET services for 100% of all requests within 10 business days after receipt of a request. If the broker requires additional information in order to authorize a request, the broker shall place the request on hold and request the additional information within 24 hours after receipt of the request.
- The DOM monitors performance data and documentation submitted in the broker's required monthly reports. Other oversight methods include conducting bimonthly management meetings with MTM staff, compliance investigations, and on-site audits and reviews.
- The contract between DOM and MTM stipulates that the DOM may place the NET broker on a corrective action plan and/or assess liquidated damages when it does not meet performance standards. The DOM has assessed MTM liquidated damages every month since the contract began.

How does MTM oversee transportation providers' performance and ensure compliance with the contract's performance standards?

According to MTM's monitoring plan, MTM staff conducts routine monitoring of transportation providers by

- conducting annual scheduled and random on-site visits;
- monitoring drivers' licensure, records, experience, and training;
- conducting initial and semiannual vehicle inspections;
- monitoring performance in the field;
- processing complaints;
- creating corrective action plans;
- monitoring the completion of trip logs; and
- requiring reports.

MTM also has the option to pass on liquidated damages to a transportation provider if it finds that the provider has been the cause of a liquidated damages assessment.

Tools like MTM's monthly transportation provider report cards and a recently implemented preferred provider program have the potential to increase service quality for NET beneficiaries. These tools must be used consistently and the DOM should monitor them closely so that Mississippi can ensure a greater level of service to beneficiaries.

PEER did not compare service quality outcomes for the current NET broker contract to those of the previous contract. PEER does

not believe that service quality outcomes for the two contracts are comparable at present.

How many and what types of complaints has the non-emergency transportation broker received?

PEER reviewed NET complaints received from July 1, 2014, through December 31, 2015, to determine whether any trends in complaint type could be established. Of the 4,280 substantiated complaints reviewed by Medical Transportation Management Inc., almost 84% dealt with NET provider operations and accountability. During the first six months of the DOM's contract with MTM, internal complaints (i.e., complaints about MTM's policies and operations) were more prevalent than in later months.

During the period of review, the NET broker received 5,540 documented complaints from beneficiaries (or their representatives), medical service providers, and transportation providers. See Exhibit B, page xii. The majority of complaints came from beneficiaries or their representatives, with only approximately 1% of complaints coming from transportation providers. See Exhibit C, page xii.

The pattern of the frequency of calls to the DOM detailing potential complaints could indicate that transportation providers were initially unfamiliar with changes in the requirements of the new NET broker. According to DOM staff, the frequency of transportation providers' calls to the DOM detailing potential complaints does not correlate with the number of documented transportation providers' complaints received during that period.

Exhibit B: Summary Analysis of Complaints Received by the NET Broker from July 1, 2014, through December 31, 2015, by Complaint Type

Complaint Type	Number of Complaints	Percentage of Total Complaints	Percentage of Substantiated Complaints
NET Provider Timeliness	1,724	31%	40%
NET Provider No-Shows	885	16%	21%
NET Provider Behavior	781	14%	18%
NET Provider Vehicle Quality	189	3%	5%
MTM Operations	701	13%	16%
Unsubstantiated	1,260	23%	
TOTAL	5,540	100%	100%

SOURCE: MTM Quality Control Reports.

Exhibit C: Summary Analysis of Complaints Received by the NET Broker from July 1, 2014, through December 31, 2015, by Complaint Source

Source of Complaint	Number of Complaints	Percentage of Complaints
Beneficiary (or representative)	4,763	86%
Medical Provider	726	13%
Transportation Provider	51	1%
TOTAL	5,540	100%

SOURCE: MTM Quality Control Reports.

How do beneficiaries and medical providers submit complaints or service appeals?

Beneficiaries and medical providers must submit complaints to the NET contractor, currently MTM, which then has one business day to notify DOM. MTM must attempt to resolve complaints within 10 business days. The DOM has authority to overturn any of MTM's decisions regarding complaint and grievance resolution, and MTM must abide by the decision.

Complaints may be submitted orally, in writing, or online. MTM has established a dedicated phone line to help facilitate the process.

MTM must acknowledge the complainant and notify DOM within one business day after receipt of the complaint. MTM must attempt to resolve all complaints within 10 business days.

If the beneficiary or medical provider is not satisfied with the results of the complaint, the beneficiary or medical provider has the opportunity to file a formal grievance. MTM must acknowledge all grievances within 24 hours and must provide resolution within 15 days.

If the beneficiary or medical provider is not satisfied with the results of the grievance decision issued by MTM, the beneficiary or medical provider has the right to appeal the decision to the DOM Program Integrity Division. The DOM has the authority to overturn any of MTM's decisions regarding the complaint and grievance resolution process and MTM must abide by the final decision of the DOM.

How do transportation providers submit complaints and claims appeals?

NET transportation providers must submit complaints to the NET broker within one year. If the provider is not satisfied with the results of the broker's complaint-resolution process, the provider can file a grievance with MTM and ultimately an appeal with DOM.

Should a transportation provider be dissatisfied with the results of the initial complaint, the provider can file a grievance. If then not satisfied with the NET broker's resolution, the provider has the right to request a review of the grievance resolution through the DOM's Office of Medical Services. While not specifically provided for in statute or administrative policy, the availability of a grievance appeals process for transportation providers is consistent with MISS. CODE ANN. § 43-13-121(1)(a)(i), which provides DOM the broad authority to administer the Medicaid program and to establish rules and policies for this purpose.

Transportation providers submit claims to MTM for compensation and have the right to appeal to MTM any claim that is denied. However, MTM holds the final approval or denial decision for claims appeals.

Transportation providers can appeal a denied claim within 15 days of denial by refileing the claim through the online portal used to report to MTM. The MTM review team looks at the original information as well as any new supporting documentation and approves or denies the refiled claim.

If the claim is again denied and the provider believes the decision to deny was in error, the claim can be appealed to an MTM supervisor who was not involved in the first level of appeal. However, should the transportation provider still be dissatisfied after this stage, the appeals process ends: There is no ultimate level of appeal with the DOM because NET transportation providers do not hold a contractual relationship with the DOM.

Recommendations

The DOM recently released an RFP to procure a new NET brokerage contract with a transition phase from January 2017 through June 2017 and an effective date of July 1, 2017. According to the DOM, the RFP for the next contract will contain improvements to the oversight and management of the NET program implemented with the current RFP. DOM also plans to enhance the RFP by including the following:

- a per member per month procured rate NET contractor payment methodology focused on service delivery;
- increased utilization of technology to validate trip compliance; and
- required daily trip and claims data uploads to its contracted fiscal agent.

PEER provides the following recommendations regarding the DOM's future NET contracts:

1. DOM should consider assigning a greater weight to bidders' business/cost proposals. Although the DOM awarded the highest number of possible points to the business/cost proposal with the lowest cost bid in the most recent NET broker procurement, placing a greater weight on the cost component of future proposals could potentially save the State money on future contracts for the NET program. PEER notes that an increased focus on the cost component of the procurement should result if the DOM shifts to a per member per month procured rate payment methodology for the upcoming NET broker RFP, as previously discussed.
2. To ensure that all transportation providers are aware of and understand the processes for filing complaints, grievances, and appeals, the DOM should require MTM to modify the transportation provider handbook to clarify and specifically detail these processes within the "Complaints and Grievance Program" section. This should include detail on the following:
 - contact information that transportation providers should use to file a complaints appeal;

- the specific information that transportation providers must include in their complaints appeals; and
- a discussion of the time frames transportation providers must follow when filing an appeal.

DOM should require MTM to have transportation providers sign a separate form that outlines the complaints, grievances, and appeals processes, with a signature signifying that the provider has read and understands the process.

3. DOM should analyze data compiled from the NET broker's monthly deliverables and reports in order to identify programmatic and operational areas in which service quality could improve and allow for service quality comparisons from month to month and contract to contract. These data should also include reports produced from routine monitoring of the recently implemented preferred provider program to assist in determining whether service quality improves over time.
4. In order to provide additional motivation to meet performance standards, increase service quality, and increase competition among NET transportation providers, the DOM and the NET broker should make the monthly NET provider report cards and NET preferred provider information publicly available on their respective websites.
5. DOM should require MTM to add a section to the current transportation provider handbook summarizing the types and frequency of monitoring and deliverable reports it requires from MTM as the NET broker. This would illustrate some of the information DOM routinely reviews regarding NET services.

DOM should periodically review and analyze performance standards for the NET broker and transportation providers using longitudinal data compiled from each NET broker contract (see Recommendation 3) to determine whether performance standards should be changed before issuance of an RFP for a new NET broker contract.

Also, by analyzing longitudinal quality data for the NET program, the DOM could determine any patterns or potentially problematic areas where the NET broker or providers repeatedly fail to meet performance standards. The DOM should consider using more frequent corrective action plans and/or increasing punitive damages for repeated failure to meet performance standards. For example, the DOM could include in future NET broker contracts an escalation clause with higher liquidated damage amounts assessed and collected when the NET broker consistently fails to meet a specific performance standard.

For more information or clarification, contact:

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A Review of the Procurement and Implementation of the Division of Medicaid's Non-Emergency Transportation Brokerage Contract

Introduction

Authority

PEER reviewed the process used by the Mississippi Division of Medicaid (DOM) to procure the contract with its current non-emergency transportation (NET) broker, Medical Transportation Management Inc. (MTM). PEER also reviewed the implementation of service delivery under the current contract.

The Committee acted in accordance with MISS. CODE ANN. Section 5-3-51 et seq.

Problem Statement

PEER received a legislative request to review the DOM's NET program. This request was prompted by concerns regarding the DOM's process for procuring the NET brokerage contract, access to and quality of services provided to eligible Medicaid NET beneficiaries, and the complaint-resolution process for transportation providers that participate in the NET program.

Scope and Purpose

PEER sought to determine the process the DOM had used to procure the contract with MTM, as well as to assess the implementation of service delivery this broker has provided since July 1, 2014, as the state's NET services manager for the Medicaid program.

PEER sought to answer the following questions:

- How does Mississippi implement the Medicaid NET program?
- What process did the DOM use to procure the current brokerage contract for operating the NET program in Mississippi?
- How does the DOM ensure that the NET broker provides timely and appropriate services to eligible Medicaid beneficiaries?
- What are the complaints and appeals processes for Medicaid NET stakeholders?

Scope Limitation

PEER did not compare service quality outcomes for the current NET broker contract to those of the previous contract because the number of performance standards and requirements has greatly increased under the current contract and are more stringent (see page 18).

Method

During the course of this review, PEER

- reviewed the request for proposals that the DOM used to select MTM as the NET broker;
- reviewed the DOM's contract with MTM;
- reviewed MTM's documents, including but not limited to its handbook, operating procedures manual, training requirements, and monitoring plan;
- reviewed the DOM's NET complaints process;
- analyzed complaint files of the NET program for the period of July 1, 2014, through December 31, 2015;
- reviewed relevant news articles and reports regarding MTM services in other states;
- reviewed relevant news articles and reports on other NET brokers in other states;
- interviewed Mississippi DOM staff; and
- reviewed other relevant data provided by the Mississippi DOM.

How does Mississippi implement the Medicaid non-emergency transportation program?

This chapter addresses the following questions:

- What is a Medicaid non-emergency transportation program and what are the models for service delivery?
- How does the brokerage service delivery model work?
- What private broker holds Mississippi's current Medicaid non-emergency transportation contract?

What is a Medicaid non-emergency transportation program, and what are the models for service delivery?

A Medicaid non-emergency transportation program provides trips to and from scheduled Medicaid-enrolled provider appointments for eligible Medicaid beneficiaries. Multiple service delivery models exist; Mississippi currently uses the brokerage service delivery model.

A Medicaid NET program provides trips to and from scheduled Medicaid-enrolled provider appointments for eligible Medicaid beneficiaries. Mandated by 42 C.F.R. § 431.53, all states must have NET programs.

States use one of the following models to provide NET services:

- brokerages (public or private),
- fee-for-service,
- public transit,
- managed care organization, or
- a mixture of two or more of the above.

Appendix A, page 39, provides brief descriptions of these NET service delivery models. Appendix B, page 41, shows the model of NET service delivery that each state used as of January 2015. Mississippi currently uses the private brokerage service delivery model.

How does the brokerage service delivery model work?

In the brokerage model of delivering Medicaid non-emergency transportation services, states contract with a private company or use a state agency to connect riders with transportation providers.

In the brokerage model of delivering Medicaid non-emergency transportation, states contract with a private company or use a state agency to connect riders with transportation providers. Per 42 C.F.R. § 440.170, states must choose to use the private brokerage model to meet the following requirements:

- maintain proof of cost-efficiency;
- use a competitive procurement process in selecting a broker;
- implement procedures for auditing and overseeing brokerages for quality; and
- comply with the prohibition on self-referrals.¹

See Exhibit 1, page 5, for a list and brief description of the stakeholders in the brokerage model of Medicaid NET service delivery.

According to the National Conference of State Legislatures, in a brokerage service delivery model the broker confirms a Medicaid beneficiary's medical eligibility and then ensures that the trip is to an approved Medicaid destination and that he or she is receiving a medically necessary service. The broker also confirms that the transportation provider has the proper licensing and safety inspections to confirm eligibility before contracting for services. After the broker contracts with transportation providers who have been deemed eligible to provide rides to eligible Medicaid beneficiaries, it schedules the eligible Medicaid beneficiary's trip through one of the providers approved by the broker to provide NET services.

Many brokers have leveraged industry technologies to facilitate trips with providers efficiently and effectively. States using a private broker can pass on these responsibilities to the broker and compensate the broker on a capitated, per-Medicaid beneficiary basis. Several Medicaid programs use capitated payments (i.e., there is an established flat rate of payment per person served, typically per month, not based on the amount of service that each individual receives).

As of January 2015, Mississippi was one of 17 states using the private brokerage model of NET service delivery. Four states were using public brokers (see Appendix B, page 41).

¹ This means that the state cannot refer a beneficiary to a provider in which the state has a financial interest.

Exhibit 1: Stakeholders in the Brokerage Model of NET Service Delivery

Stakeholder	Description
Medicaid NET Beneficiary	An individual who qualifies for Medicaid’s non-emergency transportation by being a Medicaid recipient and demonstrates that he or she has no other means of transportation* to access medical assistance for covered medical services rendered by a Medicaid-enrolled provider.
Broker	The state agency or for-profit company that manages non-emergency medical transportation by connecting riders with transportation providers. The broker’s responsibilities include establishing a network of NET providers and coordinating, scheduling, managing, and reimbursing NET service requests.
NET Transportation Provider	A for-profit business the broker authorizes to provide rides to NET beneficiaries in accordance with Medicaid policy. The NET provider has a contractual relationship with the broker rather than with the DOM.
NET Drivers	NET providers employ NET drivers. NET drivers are the individuals actually rendering services by driving the vehicles that take beneficiaries to their appointments.**
Medical Provider	A Medicaid-enrolled entity rendering medical care to a Medicaid NET beneficiary.

*“No other means of transportation to access medical assistance” could include

- no valid driver’s license;
- no available, working vehicle in the household;
- inability to travel or wait for services alone; or
- a physical, cognitive, mental, or developmental limitation.

**In addition to a driver employed by a NET transportation provider, a “NET driver” could also be a volunteer driver, fixed-route driver (e.g., city bus driver), or an individual participating in the DOM’s NET mileage reimbursement program.

SOURCE: PEER staff created from data provided by DOM.

What private broker holds Mississippi's current Medicaid non-emergency transportation contract?

The Mississippi Division of Medicaid's current non-emergency transportation broker is Medical Transportation Management Inc. The contract term is March 1, 2014, through June 30, 2017.

In November 2013, the DOM awarded its NET contract to Medical Transportation Management Inc. (MTM) to manage its NET program. MTM's contract with the DOM runs from March 1, 2014,² through June 30, 2017, for an amount not to exceed \$117,230,259 for the term of the contract (see pages 7-14 for an analysis of the contract procurement process).

MTM states that its mission is to partner with clients in developing innovative solutions for accessing health care, increasing independence, and connecting community resources in the most cost-effective manner. MTM has headquarters in St. Louis, Missouri, and serves individuals in 29 states and the District of Columbia (see Appendix C, page 43, for a map showing the states in which MTM operates). Its contracts include state and county governments, departments for aging, and managed care organizations.

MTM employs four executive staff, 25 administrative staff, and 54 customer service staff in Mississippi. According to the DOM, in fiscal year 2015 MTM provided 809,555 authorized one-way trips to 33,192 Medicaid beneficiaries. These trips included rides to and from Medicaid-covered health-care services through a NET transportation provider network of 53 providers with 713 drivers and 700 vehicles.

² The contract term began March 1, 2014, with an effective service implementation date of July 1, 2014.

What process did the Division of Medicaid use to procure the current brokerage contract for operating the non-emergency transportation program in Mississippi?

In August 2013, the Division of Medicaid developed a request for proposals for a new non-emergency transportation contract with requirements and performance standards that differed from those in the previous contract. The Division of Medicaid followed contract procurement regulations of the Personal Services Contract Review Board (PSCRB) when procuring NET broker services and the PSCRB approved the awarding of the contract to Medical Transportation Management Inc. Given the similar levels of service among non-emergency transportation brokers, the Division of Medicaid could be missing an opportunity to increase cost competition for the non-emergency transportation contract by not assigning a greater weight to cost in the evaluation process.

This chapter addresses the following questions:

- Why did the DOM seek a new NET contract in 2013?
- What procurement requirements was the DOM subject to in obtaining the contract, and did it meet those requirements?
- How did the DOM score and evaluate the bidders' responses to the request for proposals?
- In the future, should the DOM change its NET contract procurement process?

Why did the Division of Medicaid seek a new non-emergency transportation contract in 2013?

In August 2013, the Division of Medicaid developed a request for proposals for a new non-emergency transportation contract that had requirements and performance standards that differed from those in the previous contract. The Division of Medicaid believed it necessary to write more stringent performance standards into the new request for proposals in order to increase the service quality for beneficiaries and reduce the number of complaints.

In 2007, Mississippi's Division of Medicaid began using the private brokerage service delivery model, contracting with LogistiCare Solutions, LLC, from November 1, 2006, through June 30, 2014, to operate the Medicaid NET program.

As the expiration date of the contract with LogistiCare neared, the DOM developed an RFP for a new contract that had requirements and performance standards that differed from those in the previous contract. The DOM did this, in part, because the federal Centers for Medicare & Medicaid Services (CMS) had reviewed the Mississippi Division of Medicaid in 2012 and had found that the DOM had not adequately addressed business transaction disclosure requirements in its provider agreements or contracts. In response to the CMS review, the DOM added the appropriate language in its RFP to address those concerns.

Also, the DOM had received complaints from NET stakeholders during LogistiCare's contract regarding the following:

- scheduling rides the day of or the day before an appointment;
- not following the established process for urgent trips;
- not following the established process for last-minute requests;
- excessive transportation provider "no-shows"; and
- excessive wait time for pickups.

The DOM believed it necessary to write more stringent performance standards (see pages 18–21) into the new RFP in order to increase the service quality for beneficiaries and reduce the number of complaints. In August 2013, the DOM developed a request for proposals for a new NET contract that reflected the recommendations of the 2012 CMS review; information from stakeholders in Mississippi's NET program who had not been pleased with LogistiCare's service; requirements of 42 C.F.R. § 440.170 specific to non-emergency transportation; and additions included in other states' RFPs for their respective NET brokers. The DOM also expanded the program to include volunteer drivers, fixed routes, and mileage reimbursement, which had not been part of the previous LogistiCare contract.

What procurement requirements was the Division of Medicaid subject to in obtaining the contract, and did it meet those requirements?

The Division of Medicaid was subject to procurement regulations of the Personal Services Contract Review Board (PSCRB) when procuring non-emergency transportation broker services, and the PSCRB approved the awarding of the contract to Medical Transportation Management Inc. In response to another bidder's appeal of the contract award, the Hinds County Chancery Court affirmed the Division of Medicaid decision to award the non-emergency transportation contract to Medical Transportation Management Inc., noting that the Division of Medicaid had met and exceeded the requirements of the PSCRB for contract procurement.

As noted previously, 42 C.F.R. § 440.170 requires that states choosing to use the brokerage model follow a competitive procurement process when selecting a broker.

In procuring the NET broker contract, the DOM was subject to the procurement regulations of Mississippi's Personal Services Contract Review Board because the contract amount would exceed \$75,000 (see Exhibit 2, page 9, for the PSCRB's procedures for competitive sealed bids).

Exhibit 2: Personal Service Contract Review Board's Procedures for Competitive Sealed Bids

- *Invitation for Bid:* An invitation for bid must be issued and must include a purchase description (the service being performed, the frequency of service, cost of the service, and necessity of the service) and all contractual terms and conditions (including the evaluation of bids) applicable to the procurement.
- *Public Notice:* When the amount of the contract is anticipated to be more than \$75,000, public notice must be given in accordance with § 3-202.06. All personal and professional services contract procurements must be posted on the Mississippi Contract/Procurement Opportunity Search Portal in accordance with MISS. CODE ANN. § 25-53-151.
- *Bid Opening:* Bids must be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bid. The name of each bidder shall be recorded. The amount of each bid and such other relevant information as may be specified by regulation may be recorded; the record and each bid shall be open to public inspection.
- *Bid Acceptance and Bid Evaluation:* Bids must be unconditionally accepted without alteration or correction, except as authorized in these regulations. Bids must be evaluated based on the requirements set forth in the invitation for bid.
- *Correction or Withdrawal of Bids/Cancellation of Awards:* Correction or withdrawal of inadvertently erroneous bids before an award, or cancellation of awards or contracts based on erroneous bids, shall be permitted in accordance with these regulations. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the State or fair competition shall be permitted.
- *Award:* The contract must be awarded with reasonable promptness by written notice to the lowest responsible bidder whose bid meets the requirements and criteria set forth in the invitation for bid.
- *Multi-Step Sealed Bidding:* When it is considered impractical to initially prepare a purchase description to support an award based on price, an invitation for bid may be issued requesting the submission of unpriced offers, to be followed by an invitation for bid limited to those bidders whose offers have been qualified under the criteria set forth in the first solicitation.

SOURCE: PSCRB Rules and Regulations (effective April 15, 2016).

On January 24, 2014, the PSCRB determined that the DOM had met requirements for competitive sealed bids and approved the DOM's contract with MTM. However, after the DOM selected MTM for the NET contract, LogistiCare, the previous NET broker, filed protests, appeals, and complaints that began with the DOM and eventually ended in the Hinds County Chancery Court.

In the court's opinion, the DOM met and exceeded the requirements for providing information to the offerors concerning the method by which the award would be based. Ultimately, the court concluded that the procurement process used by the DOM met and exceeded what the PSCRB required of a competitive process and affirmed the DOM's decision to award the NET contract to MTM.

How did the Division of Medicaid score and evaluate bidders' responses to the request for proposals?

The request for proposals for the non-emergency transportation contract required bidders to achieve a minimum acceptable score on their technical proposals (486 of 700 possible points) in order to have their business/cost proposals considered. Business/cost proposals were worth a possible 300 points, with 1,000 possible total points for each bidder's entire submission.

In August 2013, the DOM issued an RFP for the new NET contract. Nine contractors submitted letters of intent to bid for operation of Mississippi's NET program. In September 2013, the DOM received responses from five potential contractors in response to the RFP:

- Access2Care, Philadelphia, PA;
- Southeastrans, Atlanta, GA;
- LogistiCare Solutions, LLC, Atlanta, GA;
- Lefleur Transportation, Ridgeland, MS;
- Medical Transportation Management Inc., St. Louis, MO.

After the DOM determined that the proposals were submitted with the required documentation and were eligible for review, it conducted the evaluations in five phases:

- Phase 1: Evaluation of Bidders' Responses to RFP
- Phase 2: Evaluation of the Technical Proposal
- Phase 3: Evaluation of the Business/Cost Proposal
- Phase 4: Summary Report of Evaluations and Recommendations to the Executive Director
- Phase 5: Award Decision by the Executive Director

For Phase 1 of the evaluation process, the DOM Procurement Officer reviewed each proposal to determine whether it was fully completed with all of the required documentation and whether it complied with the instructions in the RFP. Any proposal that was completely and correctly submitted moved forward in the

evaluation process. Each proposal that was incompletely submitted was rejected with no further evaluation.

The DOM evaluated proposals for the NET contract based on their technical components and their cost components for a maximum of 1,000 points (700-point maximum for the technical proposal and 300-point maximum for the business/cost proposal).

To evaluate the proposals, the DOM Executive Director appointed a committee with relevant experience in the Medicaid program, which was comprised by

- the Deputy Administrator, Health Services;
- the Bureau Director, Medical Services;
- the Medicaid Program Coordinator, Medical Services;
- the Staff Officer II, Health Services;
- a Program Nurse II, Coordinated Care; and
- the Deputy Administrator, External Relations.

Scoring of Proposals

The DOM's RFP for the NET broker contract had 70 criteria requiring individual responses from bidders. For 64 of the criteria, the DOM's evaluation committee scored the proposals using a Likert scoring matrix from 1 to 5, with a corresponding number of points to be awarded. The remaining six criteria required "yes/no" responses; the committee scored 3 points for a "yes" response and 1 point for a "no" response.

The RFP for the NET broker contract had 70 criteria requiring individual responses from bidders. According to the RFP, the DOM would score the proposals using a scoring matrix with the following Likert scale values and corresponding number of points:

1 = inadequate

2 = less than adequate

3 = adequate

4 = more than adequate

5 = exceptional

Of the RFP's 70 criteria, the evaluation committee assigned scores from 1 point to 5 points to bidders' responses to 64 criteria. The committee assigned either 1 point or 3 points to bidders' responses to the remaining six criteria, with a "yes" response receiving 3 points and a "no" response receiving 1 point.

Technical Proposal Evaluation

During the evaluation of technical proposals for the NET broker contract, potential brokers had to score 486 out of a possible 700 points to advance to the next evaluation phase. Three of the five contractors that had submitted proposals advanced to the next phase.

Exhibit 3 shows the breakdown of possible points that bidders could earn for the technical proposal. Appendix D, page 44, provides the criteria for evaluation of the technical proposals.

According to the RFP, proposals for the NET broker contract had to fully and specifically describe and demonstrate that potential brokers had the ability to screen, authorize, schedule, and assign trips to NET transportation providers and communicate the information in a timely and efficient manner. The RFP outlined every requirement and responsibility the potential broker had to fulfill; thus, the proposals included documentation that would show that brokers could satisfy the requirements of the RFP (e.g., monitoring plans and technology capabilities).

Exhibit 3: Possible Points for Bidders' Technical Proposal Scores

Technical Proposal Section	Maximum Score
Executive Summary/Understanding of Project	15
Corporate Background and Experience	75
Organization and Staffing	131
Methodology	400
Project Management and Control	50
Work Plan and Schedule	29
TOTAL	700

SOURCE: DOM's RFP.

All five contractors that submitted proposals went through phases one and two of the evaluation process. The following were the scores of the five initial bidders after the evaluation committee scored the technical proposals:

Access2Care	343.7
Lefleur Transportation	447.2
LogistiCare Solutions, LLC	486.8
Southeastrans	517.9
MTM	591.1

According to DOM staff, a proposal had to earn approximately 70% of the technical score maximum points in order to advance for consideration to phase three, the business/cost evaluation. Based on the scores, DOM staff elected to advance the three proposals that scored 486 points or higher (i.e., those of MTM, Southeastrans, and LogistiCare).

Business/Cost Proposal Evaluation

The DOM's RFP for the NET broker contract stated that the bidder with the lowest cost proposal would be awarded 300 points. Although a different bidder had the lowest cost proposal and received the 300 points, MTM's overall score was the highest and the DOM awarded the contract to MTM.

According to the RFP, during the business/cost evaluation phase, the DOM would assign the maximum of 300 points to the lowest proposal. The DOM assigned all other proposals points based on the following formula:

$$x \div y \times 300 = z$$

Where x was the lowest bid price, y was the offeror's bid price and z equaled the number of assigned points.

For instance, if the bidder with the lowest proposal price—Bidder A—proposed that it would deliver NET services for \$10, Bidder A would receive 300 points for the cost evaluation. If another bidder—Bidder B—proposed that it would deliver NET services for \$25, the DOM would calculate the points Bidder B would receive as follows:

$$\$10 \div 25 \times 300 = 120 \text{ points}$$

The following were the scores of the remaining three bidders after the evaluation committee scored the cost proposals:

LogistiCare Solutions, LLC	300 (for lowest cost option)
MTM Inc.	284.6
Southeastrans	296.3

The following were the final scores of the three bidders (out of 1,000 possible points):

MTM Inc.	875.7
Southeastrans	814.2
LogistiCare Solutions, LLC	786.8

As noted previously, in November 2013, the DOM awarded the NET contract to MTM.

In the future, should the Division of Medicaid change its non-emergency transportation contract procurement process?

Given the similar levels of service among non-emergency transportation brokers, the Division of Medicaid could be missing an opportunity to increase cost competition for the non-emergency transportation contract by not assigning a greater weight to cost in the evaluation process.

According to DOM staff, the level of service among NET brokers nationwide is similar. In Mississippi, some of the transportation providers and drivers who worked under the previous NET broker are the same ones providing services under MTM's management. Mississippi's previous and current NET brokers are two of many companies that provide such management services nationwide. Moreover, both of these NET brokers have operated in multiple states at some level (e.g., state, county, divisions on aging, managed care organizations).

The DOM's present method of evaluating bidders' technical proposals is designed to ensure that brokers can deliver the required core NET services before they can proceed to the business/cost proposal phase. As noted previously, for the current NET contract, the scoring rubric used by the DOM for proposals weighted bidders' technical capabilities at 70% and cost at 30 percent. This is a weight similar to that assigned by other states in their NET RFPs (e.g., Wisconsin issued a NET RFP in January 2013 and cost counted for 25% of the total score). But because of the similar levels of service among NET brokers, the DOM could be missing an opportunity to increase cost competition for the NET contract by not assigning a greater weight to cost in the evaluation process. The DOM could assign more weight to bidders' business/cost proposals, continue to award the highest number of points for the lowest cost contract, and potentially save the State money on the NET program.

The DOM is currently developing an RFP to procure a new NET brokerage contract with a transition phase from January 2017 through June 2017 and an effective service delivery date of July 1, 2017. DOM staff noted that one primary change in the upcoming RFP will be a new per member per month procured rate payment methodology focused on service delivery (based on utilization data and transportation type). According to DOM staff, using such a payment methodology instead of reimbursing claims for each trip could potentially result in an overall decrease in trip costs for utilization within the NET program.

How does the Division of Medicaid ensure that eligible Medicaid non-emergency transportation beneficiaries receive timely and appropriate services?

The performance standards of the current non-emergency transportation contract are more stringent than those of the previous contract. Although the Division of Medicaid and Medical Transportation Management have several methods in place to help ensure quality of services for beneficiaries, the broker still every month falls short in meeting some of the contract's performance standards.

This chapter will address the following questions:

- How does Medical Transportation Management arrange non-emergency transportation for beneficiaries?
- What are the performance standards of the non-emergency transportation brokerage contract with Medical Transportation Management?
- How does the Division of Medicaid oversee Medical Transportation Management's performance and ensure compliance with the contract's performance standards?
- How does Medical Transportation Management oversee transportation providers' performance and ensure compliance with the contract's performance standards?
- How do the service quality outcomes of the current non-emergency transportation broker contract compare to the service quality outcomes of the previous contract?

How does Medical Transportation Management arrange non-emergency transportation for beneficiaries?

Medical Transportation Management's NET Management System handles intake of service requests for all non-emergency transportation services in Mississippi. When Medical Transportation Management has authorized the service request and determined the appropriate mode of transport, its NET Management System searches for an available transportation provider. After a Medical Transportation Management customer service representative selects a provider, he or she sends trip information electronically to the transportation provider so that the request can be completed.

MTM's NET Management System is the company's online system that has many functions, including maintaining NET provider information, such as vehicle types, hours of operations, special services, and fees and billing information. NET providers submit information to MTM and MTM's network staff inputs that information into the system.

MTM's NET Management System handles intake of service requests for all NET services. According to MTM, when it receives

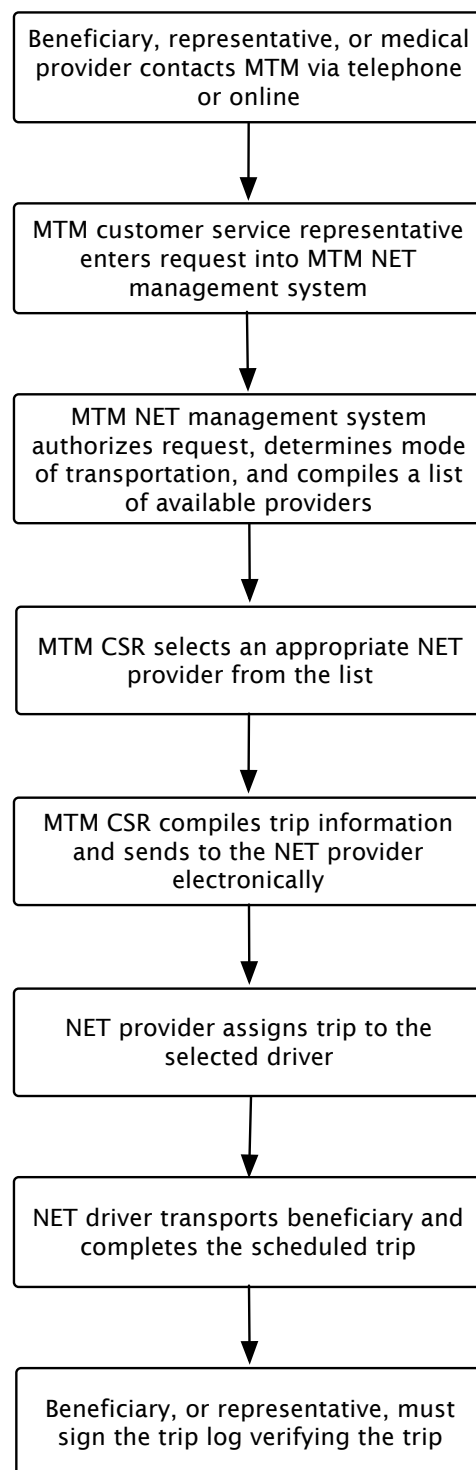
a new trip request (which can come from a beneficiary, a representative of the beneficiary, or a Mississippi Medicaid provider), a customer service representative (CSR) enters the request information into the NET Management System. The CSR captures details needed to complete the reservation request, such as the beneficiary's physical and cognitive abilities and type of medical appointment.

Before a trip can be assigned to a provider, MTM's NET Management System must authorize the trip request by determining the eligibility of the beneficiary (see Exhibit 1, page 5, for eligibility requirements for Medicaid NET services). After MTM has authorized the service request and determined the appropriate mode of transport, its NET Management System searches for an available transportation provider. MTM calls this "shopping" the trip. MTM's NET Management System shows all of the transportation providers that have available capacity, their hours of operation, the transportation provider's bid for the trip cost, and geographic coverage for the pickup and drop-off addresses of the request. If a NET service request is outside of the operating hours or service area, or if the transportation provider cannot fulfill the requirements of the request, that provider is not available for selection. For example, if a NET provider only makes trips Monday through Friday from 8 a. m. until 5 p. m. and a beneficiary has a Saturday morning appointment, MTM's NET Management System will not list that provider as an available provider for the CSR to select.

When MTM's CSR has selected a provider, the CSR sends trip information electronically to the transportation provider so that the request can be completed. The NET transportation provider assigns the trip to a NET driver and, after the trip is completed, the beneficiary, or representative, must sign a trip log verifying the trip (see Exhibit 4, page 17, which illustrates how a trip is booked through MTM).

According to the NET RFP and contract, MTM is responsible for providing "prompt, cost effective, and efficient" access to covered medical services for Mississippi's eligible Medicaid beneficiaries. Therefore, when MTM's NET Management System "shops" an authorized service request, MTM instructs its CSRs to select the most cost-effective NET provider.

Exhibit 4: How a Medicaid NET Beneficiary Books a Trip through MTM



SOURCE: PEER staff created based on information provided by DOM.

What are the performance standards of the non-emergency transportation brokerage contract with Medical Transportation Management Inc.?

The performance standards of the current non-emergency transportation contract are more stringent than those of the previous contract. The Division of Medicaid developed performance standards and requirements for the current contract after reviewing Centers for Medicare & Medicaid mandates, feedback from Mississippi's stakeholders, other federal requirements, best practices, and other states' Medicaid programs.

Exhibit 5 lists the performance standards that the DOM required of the previous NET broker, LogistiCare. Exhibit 6, page 19, lists some examples of the performance standards and requirements for the current NET broker, MTM. A comprehensive list of the performance standards and requirements for the current NET contract may be found in Appendix E on page 46.

The current performance standards are more stringent than the performance standards for the previous NET contract. The DOM developed the performance standards for the current NET broker contract after reviewing Centers for Medicare & Medicaid Services mandates, other federal requirements, best practices, other states' Medicaid programs, and feedback from Mississippi's stakeholders.

Exhibit 5: Performance Standards in the NET Contract between DOM and LogistiCare (November 1, 2006, through June 30, 2014)

- The broker shall ensure that the average waiting time for pickup does not exceed fifteen minutes.
- The broker shall notify the NET provider of the assignment at least two business days prior to the trip, if possible, and shall timely assign the trip to another NET provider if necessary. For hospital discharges, the broker shall contact an appropriate NET provider so that pickup occurs within three hours after notification.
- The broker shall authorize and schedule routine NET services for 98 percent (98%) of all requests within three business days after receipt of the request.
- The broker shall authorize and schedule routine NET services for 100 percent (100%) of all requests within ten business days after receipt of a request. If broker requires additional information in order to authorize a request, the broker shall place the request on hold and shall request the additional information within twenty-four hours after receipt of the request.

SOURCE: DOM Provider Policy Manual that was in effect November 1, 2006.

Exhibit 6: Examples of Performance Standards and Requirements, by Category, in the Current NET Contract between DOM and MTM (March 1, 2014, through June 30, 2017)

Category	Examples of Performance Standards and Requirements
Screening	<p>The contractor shall screen all NET requests to determine</p> <ul style="list-style-type: none"> • the beneficiary’s eligibility for NET services; and • that the most economical mode of transportation is appropriate to meet the medical needs of the beneficiary based on the beneficiary’s mobility status and capabilities on the date of service.
Advance Reservations	<ul style="list-style-type: none"> • The contractor shall educate beneficiaries on how to request NET services. • The contractor shall instruct beneficiaries that requests for NET services must be made at least three business days before the NET service is needed.
Scheduling and Dispatching Trips	<ul style="list-style-type: none"> • The contractor shall ensure that the average monthly waiting time for pickup does not exceed fifteen minutes for each NET provider. The contractor shall ensure that beneficiaries arrive at prearranged times for appointments and are picked up at prearranged times for the return trip if the covered medical service follows a reliable schedule. The prearranged times may not be changed by the NET provider or driver without first obtaining permission from the contractor. • The contractor shall contact an appropriate NET provider so that pickup occurs within three hours after notification of a hospital discharge.
Geographic Coverage Area	<p>The contractor shall record the geographic area from which each NET provider will accept assignments. This shall include county-level detail throughout Mississippi and medical communities in the adjacent states of Alabama, Arkansas, Louisiana, and Tennessee.</p>
Operational Rules	<p>No more than 2 percent of the scheduled trips shall be late or missed per day.</p>
Timeliness	<ul style="list-style-type: none"> • The contractor shall authorize and schedule routine NET services for 98 percent of all requests within three business days after receipt of the request. • Contractor shall authorize and schedule routine NET services for 100 percent of all requests within ten business days after receipt of a request.

Validation Checks	The contractor shall perform validation checks on at least 5 percent of NET service requests each month, both prior to the authorization of the request and after the services are rendered. The DOM, at its sole discretion, may require validation checks of trips to specific services. The contractor shall report validation check findings to the DOM by the NET provider.
NET Broker Vehicles	The contractor shall supply NET providers with a copy of the Americans with Disabilities Act (ADA) vehicle requirements and inspect the vehicles for compliance during scheduled biannual vehicle inspections.
Wheelchair Lifts	All wheelchair lifts must meet current ADA guidelines. The contractor shall inspect these requirements during the biannual vehicle inspections.
Wheelchair Securement Devices	Each wheelchair vehicle shall have, for each wheelchair position, a wheelchair securement device (or "tie-down") that meets current ADA guidelines. The contractor shall inspect these requirements during the biannual vehicle inspections.
NET Broker Drivers	The contractor shall supply NET providers with copies of the driver requirements and inspect the NET provider employee records for compliance during scheduled biannual inspections.
Monitoring Plan	Every six months the contractor shall conduct a beneficiary satisfaction survey regarding the NET brokerage program. In its proposal the contractor shall explain in detail how the surveys will be conducted. The initial six-month period shall be the first six months during which the contractor delivers NET services.
Customer Care	The contractor shall record calls received at the Call Center and monitor no less than 3 percent of calls for compliance with customer care guidelines. The contractor will report the findings of these audits to the DOM via quarterly deliverable report. The contractor will make recordings available to the DOM upon request within five business days.
Automatic Call Distribution System	The Automatic Call Distribution system and reporting system shall record the average time to answer a call.
Sufficient Resources	The average monthly call abandonment rate is no more than 5 percent.

<p>Beneficiary Education Plan</p>	<p>The contractor shall develop and implement a plan for informing and educating beneficiaries about the NET brokerage program. The contractor shall provide written and verbal instructions to adequately educate beneficiaries, long-term care facilities, local human service agencies, NET providers, and providers in the state. The education plan shall emphasize the availability of NET services, eligibility for these services, standing orders, medical documentation of need, and how to request and use NET services.</p>
<p>Noncompliant Beneficiaries</p>	<p>The contractor shall provide continuing education to beneficiaries who do not comply with established policies and procedures of the NET brokerage program. The contractor may impose other transportation options, at the approval of the DOM, on beneficiaries with excessive incidents of noncompliance.</p>
<p>Reporting</p>	<ul style="list-style-type: none"> • Monthly deliverable reports shall be submitted to the DOM by the 15th day of the month following the report month in which they are due. • A quarterly <i>Suspected Fraud, Abuse, and/or Misuse</i> report shall be due no later than the 30th day after the end of each calendar quarter and shall include a summary of all cases forwarded to the Office of Inspector General and copied to the contract manager during the previous quarter. • An annual report shall be due no later than the 60th day following the end of each twelve-month period beginning with the implementation date. The report shall include a narrative summary of all NET brokerage program activity, contractor accomplishments, remaining challenges, and contractor’s recommendations.

SOURCE: DOM’s RFP.

How does the Division of Medicaid oversee Medical Transportation Management's performance and ensure compliance with the contract's performance standards?

The Division of Medicaid monitors performance data and documentation submitted in Medical Transportation Management's required monthly reports. Other oversight methods include conducting bimonthly management meetings with Medical Transportation Management staff, compliance investigations, and on-site audits and reviews. The Division of Medicaid attempts to ensure compliance by requiring corrective action plans or assessing liquidated damages when Medical Transportation Management does not meet performance standards. The Division of Medicaid has assessed Medical Transportation Management liquidated damages every month since the contract began in July 2014.

DOM Monitoring of the NET Broker

The DOM monitors performance data and documentation submitted in MTM's required monthly reports. Other oversight methods include conducting bimonthly management meetings with MTM staff, compliance investigations, and on-site audits and reviews.

According to the DOM, it uses the following methods to oversee the NET program:

- The Bureau Director of Medical Services and staff conduct bimonthly management meetings with MTM staff.
- The Program Coordinator of Medical Services and staff review data required to be reported monthly by the contractor, including documentation of meeting performance standards.
- The Office of Contract Compliance conducts contract compliance investigations.
- The Office of Program Integrity conducts investigations related to the prevention, detection, and investigation of alleged provider and beneficiary fraud and/or abuse (e.g., billing for services not rendered or using someone else's Medicaid card).
- The Bureau Director of Medical Services and staff participate in facility, beneficiary, and transportation provider education and conference calls.

Additionally, the DOM conducts on-site field audits and reviews. The following is a list of completed on-site audits and reviews by the DOM since the implementation of the contract:

- June 17, 2014: field audit to ensure that all requirements of the RFP were met prior to the operational phase of the contract, which was to begin July 1, 2014;
- July 8-9, 2014: on-site review of MTM's eligibility file transfer process to ensure that eligibility data were successfully transferred between MTM's and the DOM's fiscal agents;

- August 17, 2014: on-site review of MTM’s NET provider network;
- October 23, 2014: on-site review in response to a transportation provider’s complaint;
- January 23, 2015: on-site review of MTM’s RFP deliverables and reporting requirements;
- February 18, 2016: on-site comprehensive review of the program and its performance in Mississippi.

The DOM conducted a webinar and a Facility Advisory Council³ meeting in January and April 2015 as part of its monitoring efforts; however, more than a year passed before it conducted an actual on-site review of the program. Because the NET broker consistently fails to meet performance standards each month (see page 24), the DOM should conduct more frequent and scheduled, as well as random on-site visits of MTM operations and transportation provider field audits, to monitor contractor performance more closely. Doing so may prevent some complaints.

The NET Contract’s Provisions for Noncompliance

The DOM attempts to ensure compliance by requiring corrective action plans or assessing liquidated damages when MTM does not meet performance standards. The DOM has assessed MTM liquidated damages every month since the contract began in July 2014.

The DOM attempts to ensure compliance with the contract’s performance standards by requiring corrective action plans or assessing liquidated damages when MTM does not meet the standards.

Corrective Action Plans

The contract between the DOM and MTM stipulates that the DOM may place the NET broker on a corrective action plan if the NET broker does not meet performance standards.

If the DOM determines, through monitoring MTM’s monthly reports, that the NET broker has not complied with the performance standards, it may place MTM on a corrective action plan (CAP). In September 2014, the DOM placed MTM on a CAP regarding the following:

³ According to the DOM, the Facility Advisory Council is composed of selected MTM staff and key individuals in the medical provider community (e.g., UMMC). The council meets monthly to address issues and educate on any new processes.

- a Transportation Advisory Committee⁴ meeting held with NET providers without prior notification to the DOM, as is required by DOM policy;
- DOM concerns that MTM might not have adequate coverage based on information regarding no-shows and late pickups submitted in MTM's reporting deliverables;
- grievances and complaints from NET providers, medical providers, and beneficiaries related to late or missed appointments;
- complaints concerning the way in which MTM scored transportation provider report cards;
- concerns of medical providers regarding MTM and the transportation providers (e.g., communication issues regarding drop-off points and pickup procedures).

MTM responded to this CAP by listing corrective measures for each concern, the time frame required to implement the corrective measures, the outcome or interim activities (until compliance is reached), and the person responsible for making sure the corrective measures were taken.

Liquidated Damages

The contract between the DOM and MTM stipulates that the DOM may assess liquidated damages (i.e., financial penalties for breaching a term of the contract) if the NET broker does not meet performance standards. The DOM has assessed MTM liquidated damages every month since the contract began in July 2014.

Another way the DOM attempts to ensure compliance with the performance standards in the NET broker contract is through assessing liquidated damages (i.e., financial penalties for breaching a term of the contract). The DOM may assess liquidated damages against the broker and deduct the amount of the damages from payments due the broker when performance standards are not met (see Appendix E, page 46, for the list of performance measures and requirements established by the DOM for the current NET contract). The NET contract gives the DOM the authority to assess liquidated damages and the sole discretion to determine the amount of damages and frequency of payment for the amount of any damages (see Appendix F, page 57, for the list of liquidated damages that the DOM may assess based on the current contract).

According to DOM staff, the Division of Medicaid has assessed MTM liquidated damages every month since the contract began in July 2014. For example, one performance standard states that no more than 2% of scheduled trips will be late or missed. During the period of July 1, 2014, through December 31, 2015, the DOM

⁴ The Transportation Advisory Committee is composed of MTM staff and selected members of its transportation provider network. The committee meets monthly to discuss ongoing issues and operational insights.

assessed approximately \$58,833 of a total of approximately \$1.6 million in liquidated damages to MTM for failure to meet this standard.

The DOM asserts that every state that uses the brokerage model and incorporates liquidated damages into its contract also assesses liquidated damages every month. If true, this provides insight and understanding into the difficult world of state non-emergency transportation management.

As of December 2015, the DOM had assessed MTM approximately \$1.6 million in liquidated damages, of which it had collected approximately \$480,000. According to DOM staff, this difference is primarily due to the DOM's decision to collect only one-third of the total assessed liquidated damages for the first six months of the contract (July through December 2014) to provide MTM with additional opportunities to conform its operational practices and meet the contract's performance standards.

How does Medical Transportation Management oversee transportation providers' performance and ensure compliance with the contract's performance standards?

The non-emergency transportation request for proposal, which was incorporated into the contract, requires the contractor to develop and implement a plan for monitoring non-emergency transportation providers' compliance with applicable local, state, and federal laws and regulations. Tools like Medical Transportation Management's monthly transportation provider report cards and a recently implemented preferred provider program have the potential to increase service quality for non-emergency transportation beneficiaries.

MTM's Monitoring Activities

The NET RFP, which was incorporated into the contract, requires the contractor to develop and implement a plan for monitoring NET transportation providers' compliance with applicable local, state, and federal laws and regulations.

The RFP, which was incorporated into the contract, requires the NET broker to develop and implement a plan for monitoring transportation providers' compliance with applicable local, state, and federal laws and regulations. According to MTM's monitoring plan, MTM staff conduct routine monitoring of transportation providers, including annual monitoring at the provider's base location. The following are monitoring activities that MTM employs to determine whether performance standards are being met:

- conducting annual scheduled and random on-site visits;
- monitoring drivers' licensure, records, experience, and training;
- conducting initial and semiannual vehicle inspections;
- monitoring performance in the field;

- processing complaints;
- creating corrective action plans;
- monitoring the completion of trip logs;
- requiring reports.

MTM also has the capability to pass on liquidated damages (see page 24) to a transportation provider if it finds that the provider has been the cause of a liquidated damages assessment. For example, if the broker discovers that the \$250 per instance per day it was charged by the DOM per the RFP for failing to comply with reporting requirements was the fault of a NET provider, the broker can require the provider to pay that assessment.

Provider Report Cards and Preferred Provider Program

Tools like MTM's monthly transportation provider report cards and a recently implemented preferred provider program have the potential to increase service quality for NET beneficiaries. These tools must be used consistently and the DOM should monitor them closely so that Mississippi can ensure a greater level of service to beneficiaries.

Each month MTM compiles a report card for each of the NET program's transportation providers based on information submitted by those providers. The report card details trip volume, liquidated damages (see page 24), claims activity, customer satisfaction, fleet information, and complaint information (see page 26) related to that transportation provider for the prior month of operations.

The report cards are located on the home page of MTM's website (available when the provider logs in with its credentials) and these display the number of trip legs, beneficiary no-shows, transportation provider no-shows, transportation provider cancellations/reassignments, complaints, and compliments for the dates selected. They also show the percentage of and goals for each. Data are calculated in real time, meaning data are subject to change as they are updated.

According to MTM, it has not used these report cards to modify trip assignments with transportation providers on a daily basis, but instead has used them to determine whether transportation providers had operational issues that caused them to be out of compliance with contract requirements. According to MTM, if the report card showed that a transportation provider had a pattern of noncompliance, MTM placed that provider on a Performance Improvement Plan (PIP). A transportation provider's failure to address issues in a PIP was a possible cause for contract termination.

According to DOM staff, in February 2016 MTM implemented a preferred provider program. Transportation providers that have report cards showing exceptional service are designated as "preferred providers." MTM instructs its CSRs to allocate as many NET requests as possible to preferred providers.

Ideally, MTM's preferred provider program will challenge transportation providers to meet and possibly exceed performance standards set by the current contract (see page 19) so that they can become preferred providers and be assigned more trips. Correspondingly, Medicaid beneficiaries should witness an improvement in the quality of NET services.

How do the service quality outcomes of the current non-emergency transportation broker contract compare to the service quality outcomes of the previous contract?

PEER did not compare service quality outcomes for the current non-emergency transportation broker contract to those of the previous contract because the performance standards and requirements for the current contract are more numerous and more stringent. The Division of Medicaid should retain and compile data provided in the monthly deliverables and reports so that quality comparisons may be made between future non-emergency transportation broker contracts.

Although PEER does not assert that the quality of MTM's service has improved, it recognizes that both the DOM and MTM have taken steps to improve quality by

- making performance standards more challenging to meet;
- increasing the number of performance standards; and
- encouraging competition among NET providers by incorporating a preferred provider program.

The two contracts' performance standards and requirements differ greatly. Also, the current contract requires monthly deliverables and reports that were not required by the previous contract.

PEER does not believe that service quality outcomes for the two contracts are comparable at present. However, the DOM should retain and compile data provided in the monthly deliverables and reports so that quality comparisons may be made between future NET broker contracts.

Given the steps that the DOM has taken, service quality should improve for stakeholders of the NET program over time.

What are the complaints and appeals processes for Medicaid non-emergency transportation stakeholders?

The Division of Medicaid's contract with Medical Transportation Management Inc. requires that processes be in place to handle complaints, grievances, and appeals from the Division of Medicaid's non-emergency transportation beneficiaries, medical providers, and transportation providers. The complaints and appeals process varies based on the complainant's relationship to the Division of Medicaid.

This chapter addresses the following questions:

- How do beneficiaries and medical providers submit complaints or service appeals?
- How do transportation providers submit complaints and claims appeals?
- What is the role of the DOM Office of Program Integrity regarding complaints?
- How many complaints has MTM received, and what are the types of complaints received?

How do beneficiaries and medical providers submit complaints or service appeals?

The Division of Medicaid's contract with Medical Transportation Management Inc. requires that processes be in place to handle complaints and service appeals from its non-emergency medical transportation beneficiaries and medical providers.

Complaints Process for Beneficiaries and Medical Providers

Beneficiaries and medical providers must submit complaints to the NET contractor, currently MTM. MTM has one business day after receiving the complaint to notify the DOM. MTM must attempt to resolve all complaints within 10 business days. The DOM has the authority to overturn any of MTM's decisions regarding a complaint.

In accordance with the contract, MTM must maintain a process for reviewing complaints and grievances of beneficiaries and medical providers. Complaints may be submitted orally, in writing, or via an online complaints entry system. To help facilitate this process, MTM has a dedicated phone number called the "We Care" line to allow beneficiaries and medical providers the opportunity to express concerns. When contacted with complaints, the DOM directs beneficiaries and medical providers to the appropriate step in the complaint-resolution process (see Appendix G, page 58).

MTM must acknowledge the complainant and notify the DOM within one business day after receipt of the complaint. MTM has a dedicated Call Center located in Mississippi to receive all calls from beneficiaries and medical providers (including their

representatives). MTM staff document the circumstances surrounding each complaint and assign each complaint a unique tracking number. MTM must attempt to resolve all complaints within 10 business days.

If the beneficiary or medical provider is not satisfied with the results of the complaint, the beneficiary or medical provider has the opportunity to file a formal grievance with MTM. MTM must acknowledge all grievances within 24 hours and must provide resolution within 15 days.

If the beneficiary or medical provider is not satisfied with the results of the grievance decision issued by MTM, the beneficiary or medical provider has the right to appeal the decision to the DOM Program Integrity Division (see page 32).

The DOM has the authority to overturn any of MTM's decisions regarding the complaint and grievance resolution process and MTM must abide by the final decision of the DOM.

Service Appeals Process for Beneficiaries

If a beneficiary's request for a NET trip is denied, the beneficiary may request reconsideration by MTM. If the beneficiary does not agree with the reconsideration, he or she then has the right to submit an appeal to the DOM.

As described previously, specific requirements are in place to determine whether a Medicaid recipient is eligible to receive NET services. It is the NET broker's responsibility to verify whether the beneficiary requesting a trip meets the eligibility requirements before services can be provided.

If a beneficiary's request for a trip is denied, MTM must notify the beneficiary in writing no later than the next business day after the denial decision is made. In the event of a denial of services, the denial letter must state the reason why the ride could not be scheduled and notify the beneficiary of the right to appeal the denial.

Should a beneficiary disagree with a denial, the beneficiary has the opportunity to request reconsideration. Reconsideration must be in the form of a written request. Upon receipt of the request, MTM must acknowledge receipt within 24 hours.

For all non-emergency reconsiderations, MTM must provide the beneficiary with an update of its review, in writing, within 10 business days. If no resolution is reached within that window, MTM must mail the beneficiary a letter as soon as a decision has been reached. The reconsideration process is required to be completed in no more than 45 days. For emergency reconsiderations, MTM is required to resolve the request within two business days.

If the beneficiary does not agree with the reconsideration decision, he or she can request a DOM review of the case. The beneficiary must send the DOM a letter within 30 days of the date of the denial receipt. Upon receipt of the appeal request, the DOM Office of Appeals sends the case to a third-party medical claims reviewer. If the third-party claims reviewer upholds the decision, the beneficiary is entitled to a fair hearing,⁵ at which time a final determination is issued. As of May 4, 2016, the DOM had not received any beneficiary service denial appeals related to the current RFP.

How do transportation providers submit complaints and claims appeals?

The Division of Medicaid's contract with Medical Transportation Management Inc. requires that processes be in place to handle complaints and claims appeals from the DOM's non-emergency medical transportation providers.

Complaints Process for Transportation Providers

Non-emergency transportation providers must submit complaints to the NET broker, currently MTM. If the provider is not satisfied with the results of MTM's complaint-resolution process, the provider can file a grievance with MTM and ultimately an appeal with the DOM.

In accordance with the contract, MTM must maintain a procedure for reviewing complaints and grievances made by transportation providers. Complaints may be submitted orally, in writing, or via an online complaint-entry system. When contacted about complaints, the DOM directs transportation providers to the appropriate step in the complaint-resolution process (see Appendix G, page 58).

NET providers have one year to file a complaint. All complaints received are given a unique tracking number. MTM must notify the DOM within one business day of receipt of the complaint. MTM is required to resolve all provider complaints within 10 days of filing.

In November 2014, the DOM requested that MTM conduct a comprehensive review of transportation provider complaints, grievances, and appeals processes because of the large numbers of complaints it had received regarding the NET program. The Corrective Action Plan from September 2014 (see pages 23-24) led MTM to conduct more analysis of the body of complaints received and to submit weekly complaints reports grouped by the source of the complaints (transportation providers, medical providers, and beneficiaries) to the DOM. More analysis of the complaints received by MTM follows on page 33.

⁵ The DOM's fair hearing process is an administrative procedure available to DOM beneficiaries and is outlined in MISS. CODE ANN. § 43-13-116(3) (1972) et seq.

In the event a transportation provider is not satisfied with the results of the initial complaint, the provider can file a grievance. All grievances must be written and must be submitted within 15 days of the complaint resolution. MTM must acknowledge the receipt of a grievance in writing within 10 business days and must make every attempt to resolve the issue to the satisfaction of the provider within 30 days of filing.

If a transportation provider is not satisfied with the NET broker's resolution of a grievance, the provider has the right to request a review of the grievance resolution through the DOM Office of Medical Services. Transportation providers are notified of this right through language included in the grievance resolution notice received from MTM.

According to DOM staff, this process is an extra level of oversight offered by the DOM under its authority to administer MISS. CODE ANN. Section 43-13-121(1) (a)(i) (1972). While not specifically provided for in statute or administrative policy, the availability of a grievance appeals process for transportation providers is consistent with MISS. CODE ANN. Section 43-13-121 (1)(a)(i), which provides the DOM with the broad authority to administer the Medicaid program and to establish rules and policies for this purpose. As of May 4, 2016, the DOM had not received a transportation provider grievance appeal related to the current contract.

Claims Appeals Process for Transportation Providers

NET providers submit claims to MTM for compensation and providers have the right to appeal to MTM any denied claim. However, MTM holds the final approval or denial decision for claims appeals. NET providers do not have the right to appeal any further to the DOM because NET providers have no contractual relationship with the DOM.

As noted previously, while MTM is responsible for operations of the NET program, it contracts with other entities (transportation providers) to provide the ride/delivery services.

After the completion of authorized trips, transportation providers submit claims to MTM for compensation. MTM reviews these claims and accepts or denies them. Denial can be the result of several factors, including incomplete information, information entered in error, or discrepancies between trip logs and trip claims.

Transportation providers have the opportunity to appeal any denied claim. An appeal for a denied claim must be submitted within 15 days of the claim's denial. The appeals process has two levels of appeal within MTM's operations.

- The first level of appeal is to refile the claim through the online portal transportation providers use to report to MTM. The MTM review team looks at the original information as well as any new supporting documentation and approves or denies the refiled claim.

- If the claim is still denied and the transportation provider believes that the decision to deny was in error, the claim can be appealed to an MTM supervisor who was not involved in the first level of appeal, and the supervisor reviews the claim for approval or denial. In the event that the transportation provider is still not satisfied, the appeals process ends: There is no ultimate level of appeal with the DOM (see service appeals process for beneficiaries, page 29) because NET providers do not hold a contractual relationship with the DOM.

What is the role of the Division of Medicaid Office of Program Integrity regarding complaints?

The non-emergency transportation broker, transportation providers, medical providers, and beneficiaries all have the right to report suspected fraud, abuse, or misuse to the Division of Medicaid Office of Program Integrity.

The NET broker, currently MTM, is responsible for reporting suspected fraud, abuse, or misuse by beneficiaries, transportation providers, medical providers, or its own staff to the DOM Office of Program Integrity and Office of Medical Services within three business days after discovery of suspected fraud, abuse, or misuse. Beneficiaries, transportation providers, and medical providers also have the right to report suspected fraud, abuse, or misuse on the part of the NET contractor to the DOM. The allegations of suspected fraud, abuse, or misuse can be submitted online, in person, or via mail, phone, or fax.

In calendar year 2015, the DOM Office of Program Integrity reviewed 13 allegations of suspected fraud, waste, or abuse related to the NET program. Eight of the allegations originated from MTM, two from beneficiaries, two from transportation providers, and one from a driver. Aside from the allegation by the driver, the DOM either cited no findings of fraud or recommended education or a performance improvement plan on all of the allegations and then closed them. The driver allegation was related to the noncompliance of a transportation provider and, after investigation, the case was referred to the Department of Labor, the District Attorney, and the Attorney General.

How many complaints has the non-emergency transportation broker received and what are the types of complaints received?

Of the 4,280 substantiated complaints reviewed by Medical Transportation Management, almost 84% dealt with non-emergency transportation provider operations and accountability.

As noted, MTM is required by the NET contract to track and review complaints filed by parties connected to the NET program. PEER analyzed complaints received regarding the DOM NET program for the period July 1, 2014, through December 31, 2015, focusing on the numbers, types, and sources of the complaints.

Numbers and Types of Complaints

Of the 4,280 substantiated complaints reviewed by MTM, almost 84% dealt with NET provider operations and accountability.

From July 1, 2014, through December 31, 2015, MTM received 5,540 complaints in regard to the NET program. MTM operational policy requires its staff to review all initial complaints and attempt to gather any additional information necessary to help resolve any underlying issues or questions. A complaint is marked with a status of “substantiated” when MTM staff has gathered sufficient information and documentation regarding the complaint to merit further investigation. If during this process MTM staff are unable to verify the specifics of the complaint, they change the status of the complaint to “unsubstantiated.” Of the 5,540 complaints received, 4,280 were substantiated (see Exhibit 7 for a summary analysis of complaints by type). As Exhibit 7 shows, of the substantiated complaints received, approximately 84% dealt with NET provider operations and accountability.

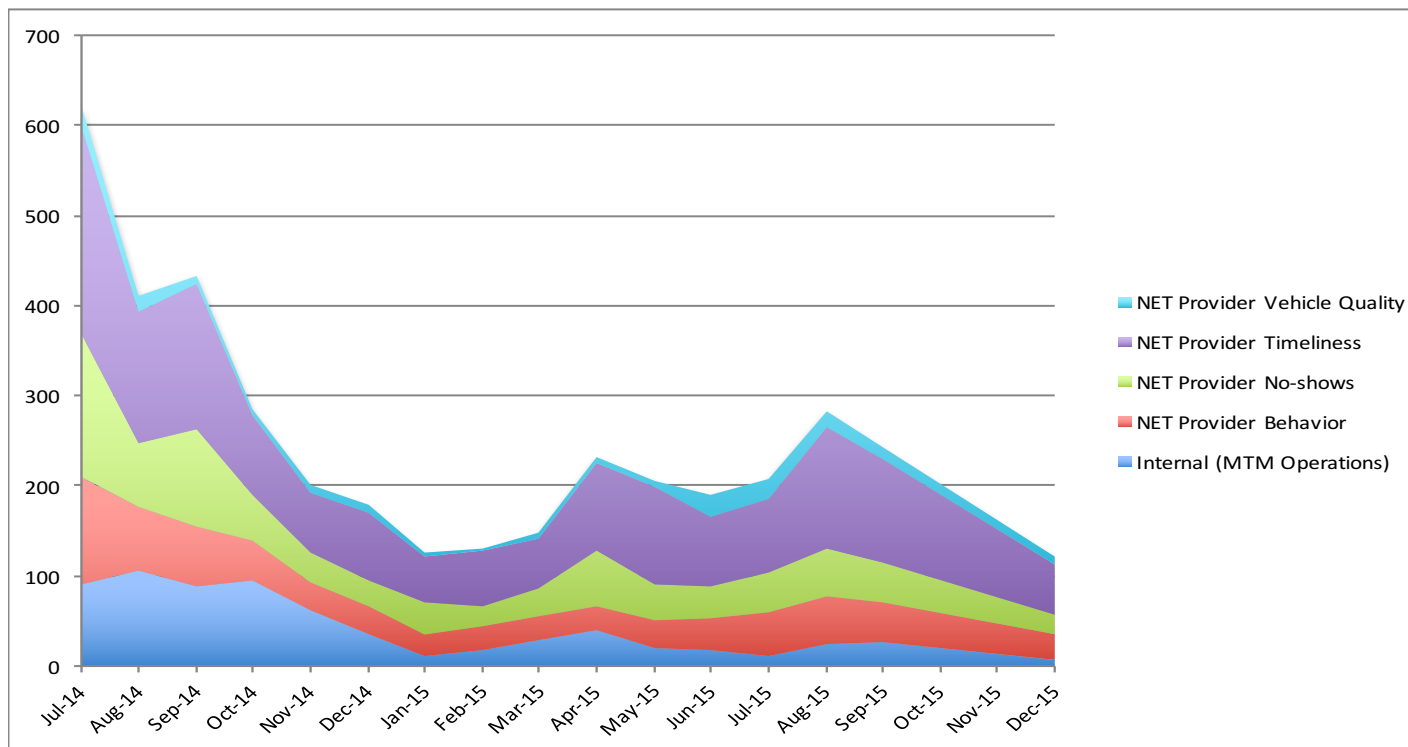
PEER reviewed the types of complaints received throughout the period to determine whether any trends in complaint type could be established. During the first six months of the DOM’s contract with MTM, internal complaints (i.e., complaints about MTM’s policies and operations) were more prevalent than in later months (see Exhibit 8, page 34).

Exhibit 7: Summary Analysis of Complaints Received by the NET Broker from July 1, 2014, through December 31, 2015, by Complaint Type

Complaint Type	Number of Complaints	Percentage of Total Complaints	Percentage of Substantiated Complaints
NET Provider Timeliness	1,724	31%	40%
NET Provider No-Shows	885	16%	21%
NET Provider Behavior	781	14%	18%
NET Provider Vehicle Quality	189	3%	5%
MTM Operations	701	13%	16%
Unsubstantiated	1,260	23%	
TOTAL	5,540	100%	100%

SOURCE: MTM Quality Control Reports.

Exhibit 8: Analysis of Complaints Received by the NET Broker from July 1, 2014, through December 31, 2015, by Complaint Type and Month Received



SOURCE: MTM Quality Control Reports.

Complaints by Source

PEER reviewed documented complaints regarding the NET program that MTM received from July 1, 2014, through December 31, 2015. As might be expected, the majority of complaints came from beneficiaries or their representatives, with only approximately 1% of complaints coming from transportation providers. However, according to DOM staff, the frequency of transportation providers' calls to the DOM detailing potential complaints does not correlate with the number of documented transportation providers' complaints received during that period.

From July 1, 2014, through December 31, 2015, the NET broker received 5,540 documented complaints from beneficiaries (or their representatives), medical service providers, and transportation providers (see Exhibit 9, page 35, for a summary analysis of complaints by source). As might be expected, complaints from beneficiaries or their representatives constituted the majority of the complaints (approximately 86%). As the primary users of the program, beneficiaries would be most affected by its operations and thus would have more opportunities for conflicts with the system and its components.

Complaints from medical providers represented approximately 13% and from transportation providers approximately 1%. However, according to DOM staff, more transportation providers have actually complained to the DOM about the NET program than are formally documented in the MTM complaints log.

Exhibit 9: Summary Analysis of Complaints Received by the NET Broker from July 1, 2014, through December 31, 2015, by Complaint Source

Source of Complaint	Number of Complaints	Percentage of Complaints
Beneficiary (or representative)	4,763	86%
Medical Provider	726	13%
Transportation Provider	51	1%
TOTAL	5,540	100%

SOURCE: MTM Quality Control Reports.

In its orientation to the NET program, MTM gives all NET transportation providers a copy of the transportation provider handbook. The handbook addresses operations of the NET program (e.g., claims processing, reporting, vehicle credentialing). In a section titled “Quality Management,” the handbook details the process by which transportation providers can file complaints with MTM, along with other information. However, the section titled “Complaints and Grievance Program” contains the following statement:

Any complaints or grievances received by MTM with respect to the provision of transportation provider services will be forwarded to transportation provider for immediate attention and response. Any problem(s) related to the service shall be promptly resolved. Transportation provider agrees to comply with MTM’s complaint resolution policies, and cooperate with MTM and provide MTM with the information necessary to help resolve grievances or inquiries with respect to transportation provider’s services and other issues.

Although this section states MTM’s overall policy regarding complaints and grievances, it does not clearly specify the steps a transportation provider should take in making a complaint or grievance.

MTM requires each provider to acknowledge receipt and understanding of the information in the provider handbook at the beginning of association with MTM and the NET program via signature on a NET transportation provider handbook receipt letter.

Thereafter, if a NET stakeholder contacts DOM staff regarding potential complaints, DOM staff direct the stakeholder to follow the relevant sections of the handbook, the Mississippi Administrative Code, or the Office of Program Integrity for guidance as to the appropriate avenue for complaint resolution (see pages 30 through 32). The DOM is not required to classify or record these calls as complaints. However, according to DOM staff, the frequency of transportation providers' calls to the DOM detailing potential complaints does not correlate with the number of documented transportation provider complaints received during the period PEER reviewed. An apparent disconnect exists between transportation providers' acknowledgment of receipt of information on the complaints process and their compliance with the process of filing a formal complaint with MTM. This disconnect could be, in part, because the processes are not clearly set out in the "Complaints and Grievance Program" section of the provider handbook.

The pattern of the frequency of calls to the DOM detailing potential complaints could indicate that transportation providers were initially unfamiliar with changes in the requirements of the new NET broker. Of the 51 total complaints submitted by NET transportation providers from July 1, 2014, through December 31, 2015, 30 occurred within the first six months of implementation of the NET broker's contract. These 30 complaints represent approximately 59% of the total number of complaints originating from transportation providers.

PEER staff analyzed the 51 complaints by NET transportation providers to identify trends and found that 29 of the complaints originated from a single transportation provider. Although PEER analyzed the number of and types of NET program complaints by source, it did not analyze individual complaint issues or resolution status because these 29 complaints accounted for less than 1% of all complaints documented by the DOM and MTM.

Recommendations

The DOM is currently developing an RFP to procure a new NET brokerage contract with a transition phase from January 2017 through June 2017 and an effective date of July 1, 2017. According to the DOM, the RFP for the next contract will contain improvements to the oversight and management of the NET program implemented with the current RFP. The DOM also plans to enhance the RFP by including

- a per member per month procured rate NET contractor payment methodology (see page 14) focused on service delivery;
- increased utilization of technology to validate trip compliance; and
- required daily trip and claims data uploads to its contracted fiscal agent.

PEER provides the following recommendations regarding the DOM's future NET contracts:

1. The DOM should consider assigning a greater weight to bidders' business/cost proposals. While the DOM awarded the highest number of possible points to the business/cost proposal with the lowest cost bid in the most recent NET broker procurement, placing a greater weight on the cost component of future proposals could potentially save the State money on future contracts for the NET program. PEER notes that an increased focus on the cost component of the procurement should result if the DOM shifts to a per member per month procured rate payment methodology for the upcoming NET broker RFP, as previously discussed.
2. To ensure that all transportation providers are aware of and understand the processes for filing complaints, grievances, and appeals, the DOM should require MTM to modify the transportation provider handbook to clarify and specifically detail these processes within the "Complaints and Grievance Program" section. This should include detail on the following points:
 - contact information that transportation providers should use to file a complaints appeal
 - the specific information that transportation providers must include in their complaints appeals
 - a discussion of the time frames transportation providers must follow when filing an appeal

The DOM should require MTM to have transportation providers sign a separate form that outlines the complaints, grievances, and appeals processes, with the signature signifying that the provider has read and understands the process.

3. The DOM should analyze data compiled from the NET broker's monthly deliverables and reports in order to identify programmatic and operational areas where service quality could improve and to allow for service quality comparisons from month to month and contract to contract. These data should also include reports produced from routine monitoring of the recently implemented preferred provider program to assist in determining whether service quality improves over time.
4. In order to provide additional motivation to meet performance standards, increase service quality, and increase competition among NET transportation providers, the DOM and the NET broker should make the monthly NET provider report cards and NET preferred provider information publicly available on their respective websites.
5. The DOM should require that MTM add a section to the current transportation provider handbook that summarizes the types and frequency of monitoring and deliverable reports that the DOM requires from MTM as the NET broker. This would illustrate some of the information that the DOM routinely reviews regarding NET services.

The DOM should periodically review and analyze performance standards for the NET broker and transportation providers using longitudinal data compiled from each NET broker contract (see Recommendation 3) to determine whether performance standards should be changed before issuance of an RFP for a new NET broker contract.

Also, by analyzing longitudinal quality data for the NET program, the DOM could determine any patterns or potentially problematic areas where the NET broker or providers repeatedly fail to meet performance standards. The DOM should consider using more frequent corrective action plans and/or increasing punitive damages for repeated failure to meet performance standards. For example, the DOM could include in future NET broker contracts an escalation clause with higher liquidated damage amounts assessed and collected when the NET broker consistently fails to meet a specific performance standard.

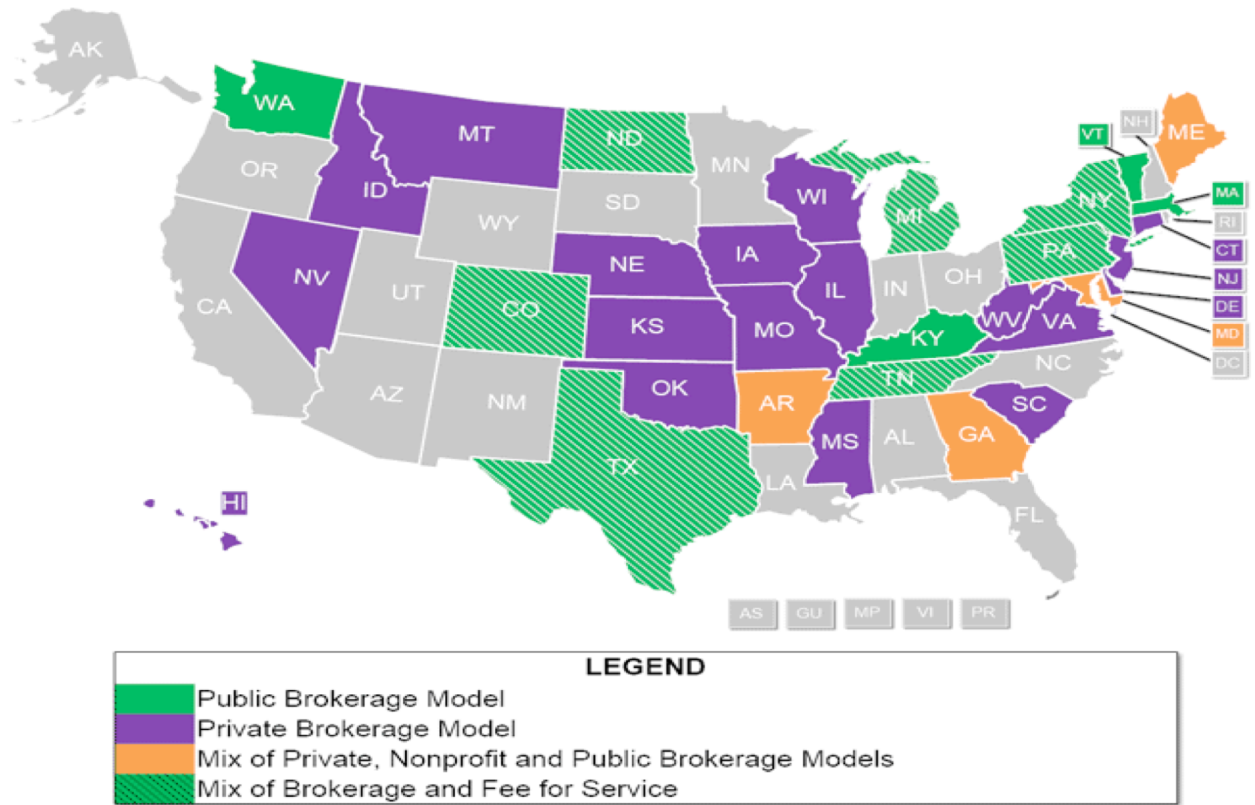
Appendix A: Non-Emergency Medical Transportation Service Delivery Model Options

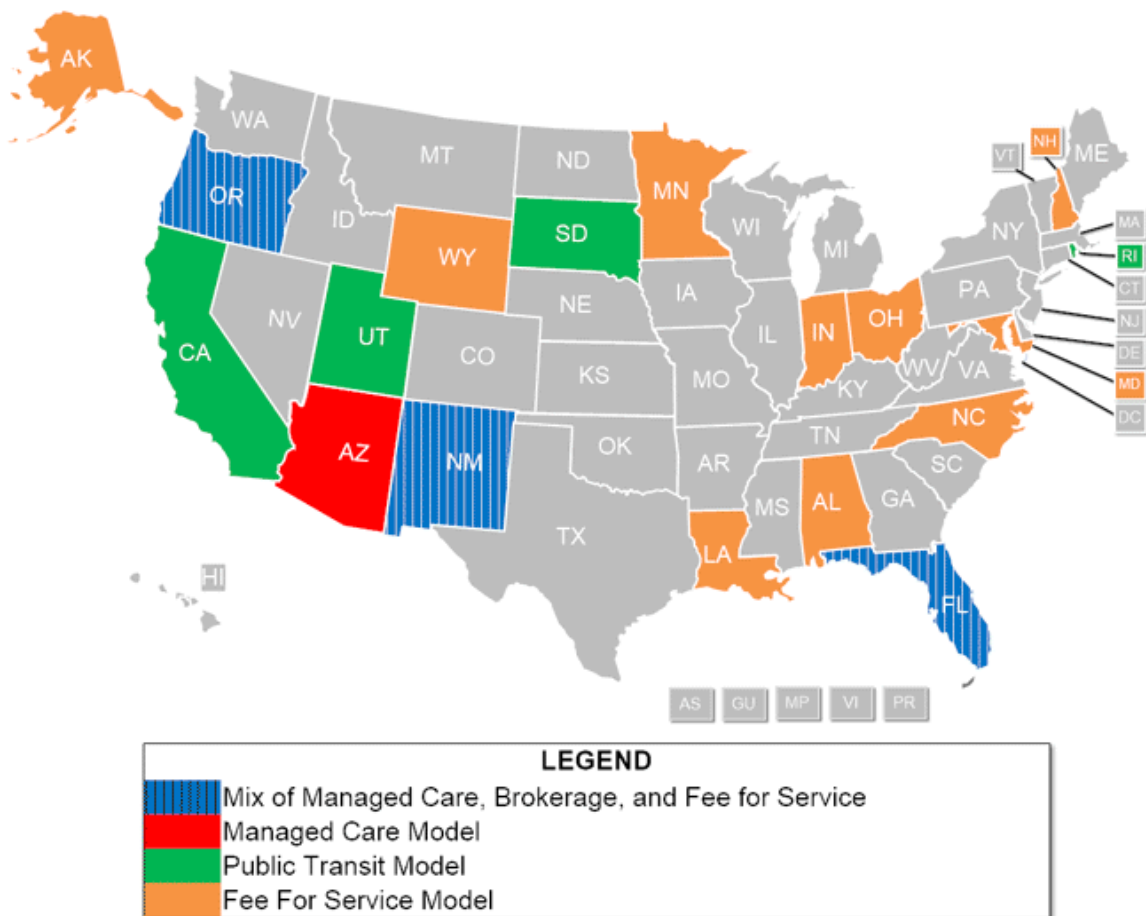
Service Delivery Model	Description
<p>Public Brokerage System</p>	<p>Service delivery model in which a state agency connects riders with transportation providers in the most efficient and cost-effective way. State agencies that want to run a brokerage service must insulate the broker service from the rest of the agency budget. For example, a transit agency may be well positioned to provide a broker service because its employees are the most knowledgeable about the public transit system and the connections that a rider could make in order to get to his or her appointment. This employee would need to be separated from the transit agency and placed into a new brokerage with a separate salary that could not share any funds from the public transit agency’s budget and paid a salary separate from agency. When the employee becomes a separate brokerage employee, documenting the transit agency’s cost and cost-effectiveness for competitive bidding becomes more complex, as overhead numbers need to be parsed from other operating expenses. This creates a barrier for effective, efficient coordination between state agencies and non-emergency medical transportation being provided through existing state, regional, and local transportation resources. However, in rural areas, waivers are available for places where procuring a private broker is not feasible.</p>
<p>Private Brokerage System</p>	<p>States that deliver non-emergency medical transportation through a private brokerage use a competitive bidding process to procure a private for-profit company to work as an intermediary between transportation providers and eligible riders. States usually make capitated payments to the broker for each eligible rider. This is the most common form of brokerage because it provides financial certainty that the state will only pay a set amount to a broker each year, instead of facing variable costs from using its own brokerage. A capitated rate provides an incentive for the provider to streamline operations—for example, by providing automated call-out reminders of upcoming rides and automating the billing import and export process to lower operating costs.</p>
<p>Mix of Brokerage and Fee-for-Service System</p>	<p>In some states with are concentrated urban areas and sparsely populated rural regions, a mixture of brokered services and fee-for-service models is used. Other states that have more dispersed populations use regional brokers to provide rides, and people outside those regions use fee-for-service models. Under this model, the regional Medicaid agency contracts with a broker with a capitated contract, keeping costs stable for the regions that may have larger populations. By apportioning resources to the populated regions, the state agency can focus</p>

	the rest of its resources on providing trips on a fee-for-service basis.
Fee-for-Service	Under this model, local and regional state-run Medicaid agencies handle all eligibility, trip authorization, and trip arrangements. States have a centralized intake for trip requests and then assign trips to registered providers at a regional or local level. Transportation providers submit reimbursement requests to the agency, which pays for the service used. This model leaves the cost for transportation variable from year to year, which may be difficult to budget.
Public Transit	In some states, public transportation is readily available to Medicaid recipients. Medicaid agencies in these states rely almost exclusively on public transportation to provide non-emergency medical transportation and reimburse the user for the trip. Some communities utilize mobility management administered by transit agencies to improve network efficiencies through such things as one-call, one-click scheduling systems. If public transportation is not available, the agency focuses on personal transportation options.
Managed Care	One of the newest delivery models is a managed care model in which transportation delivery is part of the responsibility of the managed care provider or insurance firm that offers the covered Medicaid services. Typically, the state offers a capitated payment per enrolled individual over a specified period. This model aligns the incentive to care for patients in the most cost-effective way with the financial incentive for better outcomes by having the insurance company pay for the consequences of missed appointments and decreased health outcomes. This method is aligning incentives for better care with the entity that would be paying the price for inadequate service.

SOURCE: Myers, Amelia. "Non-Emergency Medical Transportation: A Vital Lifeline for a Healthy Community." NCSL, National Conference of State Legislatures. January 7, 2015. Accessed March 29, 2016. <http://www.ncsl.org/research/transportation/non-emergency-medical-transportation-a-vital-lifeline-for-a-healthy-community.aspx>.

Appendix B: Models of NET Service Delivery in the States





SOURCE: Myers, Amelia. "Non-Emergency Medical Transportation: A Vital Lifeline for a Healthy Community." NCSL, National Conference of State Legislatures. January 7, 2015. Accessed March 29, 2016. <http://www.ncsl.org/research/transportation/non-emergency-medical-transportation-a-vital-lifeline-for-a-healthy-community.aspx>.

Appendix D: How DOM Evaluated the Technical Proposals in Response to the NET RFP

Technical Proposal Section	Evaluation
Executive Summary/ Understanding of Project	<p>One Evaluation Committee will review the Executive Summary to determine if it includes a summary of the proposed technical approach, the staffing structure, and the task schedule, including a brief overview of the proposed work plan, staff organizational structure, key personnel, and a brief discussion of the bidder’s understanding of the objectives and expectations of the RFP. It also must be five pages or fewer in length.</p>
Corporate Background and Experience	<p>The Evaluation Committee will evaluate the experience, performance on similar contracts, resources, and qualifications of the bidder to provide the services required by the RFP. The evaluation criteria will address</p> <ol style="list-style-type: none"> 1. experience of bidder in providing the requested services; 2. corporate experience providing similar services; 3. amount and level of resources proposed by the bidder; 4. specific qualifications that evidence the bidder’s ability to provide the services requested; 5. current financial position and cash flow of the bidder and evidence that the bidder has a history of financial solvency; 6. any contract terminations or nonrenewals within the past five years; 7. relevant experience that indicates organizational qualifications for the performance of the potential contract.
Organization and Staffing	<p>The Evaluation Committee will review this section of the bidder’s proposal to determine if the proposed organizational structure and staffing level are sufficient to accomplish the requirements of the RFP. The committee will review the organizational chart(s); timelines, the job descriptions, including job qualifications; the résumés of staff and their qualifications for the positions they will hold; and the relationship of their past experience to their proposed responsibilities under this contract. The committee will evaluate the explanation of the bidder regarding the relationship between the bidder and the Project Manager to determine if they will have sufficient autonomy to make management decisions to improve the bidder’s delivery of services to DOM.</p>

<p>Methodology</p>	<p>The Evaluation Committee will evaluate the approach and process offered to provide services as required by the RFP. In addition to the information required in Section 1.0 of the RFP, the evaluation criteria will address at a minimum the following (if applicable):</p> <ol style="list-style-type: none"> 1. Processes and requirements for completion of the project 2. Data management plan, including hardware, software, communications links, and data needs and proposed coordination plan 3. Processes for maintaining confidentiality of protected health information 4. Processes for development and submission of required deliverables 5. Scope of services provided through partnerships or subcontractors 6. Quality assurance processes
<p>Project Management and Control</p>	<p>The Evaluation Committee will evaluate the bidder's proposal to determine if all of the elements required by Section 5.7 of the RFP are addressed. Specifically, the committee will evaluate</p> <ol style="list-style-type: none"> 1. bidder's approach to the management of the project and ability to keep the project on target and to ensure that the requested services are provided; 2. bidder's control of the project to ensure that all requests are being met and that the bidder is able to identify and resolve problems that occur; 3. bidder's methods for estimating and documenting personnel hours spent by staff on project activities to be sure they are sound and fair; 4. bidder's plans to comply with the reporting requirements of the contract, including the provision of status reports to the DOM and whether the reports are appropriate and sufficient to keep DOM informed of all aspects of the implementation and operation of the project; 5. bidder's understanding of the importance of interacting with DOM management staff and presenting a plan to do so appropriately.
<p>Work Plan and Schedule</p>	<p>The Evaluation Committee will review and evaluate the work plan and schedule to determine if all tasks are included and if, for each task, a timeline and an identification of staff responsible for the task's accomplishment are indicated. The work plan must provide a logical sequence of tasks and a sufficient amount of time for their accomplishment.</p>

SOURCE: DOM's RFP for the NET contract dated August 2013.

Appendix E: Performance Standards and Requirements, by Category, in the Current NET Contract between DOM and MTM (March 1, 2014, through June 30, 2017)

Screening

The contractor shall screen all NET requests to determine each of the following requirements:

- Beneficiary is eligible for NET services.
- Beneficiary's medical need requires NET services.
- Beneficiary lacks access to available transportation (contractor shall require the beneficiary to verbally certify this).
- The medical service for which NET service is requested is a DOM-covered medical service for the beneficiary.
- The most economical mode of transportation is appropriate to meet the medical needs of the beneficiary based on the beneficiary's mobility status and capabilities on the date of service.
- The nearest appropriate provider is assigned to the beneficiary.
- The attendant or assistance request is necessary. The contractor may require a medical certification statement from the beneficiary's provider in order to approve door-to-door or hand-to-hand service.

Advance Reservations

- The contractor shall educate beneficiaries on how to request NET services.
- The contractor shall instruct beneficiaries that requests for NET services must be made at least three business days before the NET service is needed.
- The contractor must develop processes for handling urgent trips, last-minute requests from beneficiaries, scheduling changes and

NET providers who do not arrive for scheduled pickups.

- The contractor shall provide additional education to beneficiaries who habitually request transportation less than two business days in advance of the appointment date.

Scheduling and Dispatching Trips

The contractor shall receive requests for NET services, screen each request, and, if authorized, schedule and assign the trip to an appropriate NET provider. The following standards must be maintained:

- The contractor shall ensure that the average monthly waiting time for pickup does not exceed fifteen minutes for each NET provider. The contractor shall ensure that beneficiaries arrive at prearranged times for appointments and are picked up at prearranged times for the return trip if the covered medical service follows a reliable schedule. The prearranged times may not be changed by the NET provider or driver without prior permission from the contractor.
- The contractor and the NET provider may group beneficiaries and trips to promote efficiency and cost effectiveness. The contractor may contact providers in this process.
- The contractor shall notify the NET provider of the assignment at least two business days prior to the trip, if possible, and shall timely assign the trip to another NET provider if necessary.
- The contractor shall contact an appropriate NET provider so that pickup occurs within three hours after notification of a hospital discharge.

Geographic Coverage Area

- The contractor shall record the geographic area from which each NET provider will accept assignments. This shall include county-level detail throughout Mississippi and medical communities in the adjacent states of Alabama, Arkansas, Louisiana, and Tennessee.
- The contractor shall submit for DOM review and approval the NET provider network and Geographic Coverage Report, including information for the final subcontracted network, if applicable.

Operational Rules

On-Time Arrival

- No more than 2 percent of the scheduled trips shall be late or missed per day.

Accidents and Incidents

- The contractor shall report to the DOM, by NET provider, all accidents and incidents.

Timeliness Requirements

Routine NET services

- The contractor shall authorize and schedule routine NET services for 98 percent of all requests within three business days after receipt of the request.
- Contractor shall authorize and schedule routine NET services for 100 percent of all requests within 10 business days after receipt of a request.

Validation Checks

- The contractor shall perform validation checks on at least 5 percent of NET service requests each month, both prior to the authorization of the request and after the services are rendered. The DOM, at its sole discretion, may require validation checks of trips to specific services. The contractor shall report validation check findings to the DOM, by NET provider.
- The contractor shall conduct pre-transportation validation checks prior to authorizing the request for no fewer than 3 percent of NET services requests received in a month and must report findings, by NET provider, to the DOM.
- The contractor shall conduct post-transportation validation checks prior to authorizing the request for no fewer than 2 percent of NET services requests received in a month and must report findings, by NET provider, to the DOM.
- The contractor shall perform pre-transportation and post-transportation validation checks prior to authorizing the request for 3 percent of fixed-route transportation requests and must report findings, by NET provider, to the DOM.

NET Broker Vehicle Requirements

- Ensure that NET providers maintain all vehicles in accordance with or exceeding local, state, and federal requirements; the requirements of the RFP and Mississippi Administrative Code; and the manufacturer's safety mechanical, operating, and maintenance standards and inspect vehicles for compliance during scheduled biannual vehicle inspections.
- Supply NET providers with a copy of the ADA vehicle requirements and inspect the vehicles for compliance during scheduled biannual vehicle inspections.

- Have in its network NET providers with the capability to perform bariatric transports of beneficiaries up to 800 pounds.
- Maintain documentation on the lifting capacity of each vehicle in its network to timely schedule transport for beneficiaries requiring a lift.
- Require all vehicles in a NET provider's fleet to have a real-time link via phone or two-way radio. Pagers are not acceptable as a substitute.
- Test all communication equipment during regularly scheduled vehicle inspections.
- Inspect all NET provider vehicles prior to the operations start date and at least every six months thereafter.
- Place the Medicaid-approved inspection sticker on the outside of the passenger side rear window upon completion of a successful inspection.
- Maintain records of biannual inspections and make them available to the DOM by submitting a quarterly report.

Wheelchair Lifts

- All wheelchair lifts must meet current Americans with Disabilities Act (ADA) guidelines. The contractor shall inspect these requirements during the biannual vehicle inspections.

Wheelchair Securement Devices

- Each wheelchair vehicle shall have, for each wheelchair position, a wheelchair securement device (or "tie-down") that meets current ADA guidelines. The contractor shall inspect these requirements during the biannual vehicle inspections.

NET Broker Driver Requirements

- Ensure that NET providers employ drivers in accordance with or exceeding local, state, and federal requirements; the requirements of the RFP; and the Mississippi Administrative Code.
- Supply NET providers with a copy of the driver requirements and inspect the NET provider employee records for compliance during scheduled biannual inspections.
- Inspect all NET provider employee records prior to the Operations Start Date and at least every six months thereafter.
- Maintain records of biannual inspections and make them available to the DOM via a quarterly deliverable report.

Monitoring Plan

- The contractor shall develop and implement a plan for monitoring NET providers' compliance with all applicable local, state, and federal laws and regulations. The contractor shall ensure that NET providers comply with the requirements of the RFP, Mississippi Administrative Code, and the terms of their contracts and all NET provider-related requirements of the contract, including driver requirements, vehicle requirements, complaint resolution requirements, and the delivery of courteous, safe, timely, and efficient transportation services.
- The contractor shall have written procedures for ensuring that an appropriate corrective action is taken when a NET provider furnishes inappropriate or substandard services, when a NET provider does not furnish services that should have been furnished, or when a NET provider is out of compliance with federal or state laws or regulations.
- The contractor shall report to the DOM on monitoring activities, findings, corrective actions taken; and improvements made by NET providers via a monthly deliverable report.

- Every six months the contractor shall conduct a beneficiary satisfaction survey regarding the NET brokerage program. In its proposal, contractor shall explain in detail how the surveys will be conducted. The initial six-month period shall be the first six months during which the contractor delivers NET services.
- The survey responses received, contractor's analysis of those responses, and any resulting corrective action plans shall be submitted to the DOM no later than sixty calendar days after the surveys are taken. The Offeror's proposal shall describe in detail the Offeror's approach to and experience with customer satisfaction surveys, various methods of measuring customer satisfaction, and its plans, if any, for surveying specific populations, such as beneficiaries with disabilities, family members of beneficiaries, facilities, and providers.

Customer Care

- The contractor shall ensure that its call center staff treats each caller with dignity and respects the caller's right to privacy and confidentiality. The contractor shall process all incoming telephone inquiries regarding NET services in a timely, responsive, and courteous manner. Telephone staff shall greet callers and shall identify the contractor and themselves by name when answering.
- The contractor shall record calls received at the call center and monitor no less than 3 percent of calls for compliance with customer care guidelines. The contractor will report the findings of these audits to the DOM via quarterly deliverable report. The contractor will make recordings available to the DOM upon request within five business days.

Automatic Call Distribution System

The contractor shall operate an automatic call distribution (ACD) system. Callers shall be advised that calls are monitored and recorded for quality assurance purposes. Administrative lines need not be recorded. The ACD and reporting system shall be able to record and aggregate the following information and shall be able to produce the reports listed below daily, weekly, or monthly, as well as ad hoc reports requested by the DOM:

- the number of incoming calls;
- the number of calls answered;
- the average time to answer a call;
- the number of abandoned calls during the wait in queue for interaction with Call Center staff;
- the average abandonment time;
- the highest abandonment call time;
- the average talk time;
- the identity of the Call Center staff member taking the call and authorizing the request;
- the daily percentage of abandoned calls and calls answered;
- the number of available operators by time of day and day of week, in hourly increments.

Sufficient Resources

The contractor shall maintain sufficient equipment and Call Center staff to ensure, on a monthly basis the following:

- The average abandonment rate is no more than 5 percent.
- Calls received at the Call Center are recorded and no less than 3 percent of calls are monitored for compliance with customer care guidelines. The contractor shall use this monitoring to identify problems or issues, for quality control and training purposes. The contractor shall document and retain results of this monitoring and subsequent training and will report the findings of these audits to the DOM via quarterly deliverable report.

Beneficiary Education Plan

- The contractor shall develop and implement a plan for informing and educating beneficiaries about the NET brokerage program. The contractor shall provide written and verbal instructions to adequately educate beneficiaries, long-term care facilities, local human service agencies, NET providers, and providers in the state. The education plan shall emphasize the availability of NET services, eligibility for these services, standing orders, medical documentation of need, and how to request and use NET services.
- The contractor shall hold an educational event six months after the start date of the contract and at minimum an annual educational event thereafter for NET providers to which the DOM is invited to participate. The DOM shall approve the content of the event prior to the event.

Noncompliant Beneficiaries

- The contractor shall provide continuing education to beneficiaries who do not comply with established policies and procedures of the NET brokerage program. The contractor may impose transportation options, at the approval of the DOM, on beneficiaries with excessive incidents of noncompliance. The contractor shall notify the DOM in writing prior to making such determinations and must do so within ten business days prior to the action.
- In the case of beneficiaries who are chronically late or absent for scheduled trips, the contractor may require the beneficiary to call when the beneficiary is ready to be picked up. Neither the contractor nor the NET provider may charge beneficiaries for appointments to which they do not show up.
- The contractor shall have a DOM-approved education policy and transportation options for beneficiaries whose behavior en route threatens the safety of the beneficiary, driver, or other passengers.

- The contractor shall maintain a record of beneficiaries for whom transportation options are imposed and present this information to the DOM via a quarterly deliverable report.

Reporting Requirements

- The contractor shall provide the DOM with the reports specified in this RFP in a format that will be provided by the DOM prior to the implementation date. Report formats may include paper reports or data files.
- The contractor shall provide additional reports or make revisions in the data elements or format upon the request of the DOM without additional charge to the DOM and without a contract amendment. Upon request of the DOM, the contractor shall supply the underlying data to support any report submitted. The data shall be in a mutually agreed upon electronic file format. The DOM may add or delete reports to be submitted without requiring a contract amendment. Failure to meet the timeliness standard set forth for each report may, in the sole discretion of the DOM, result in the assessment of damages as specified in this RFP. Deliverable reports shall be submitted to the DOM by the 15th day of the month following the report month in which they are due.
- The contractor shall provide the DOM the total number of unduplicated beneficiaries by level of service for each month in the fiscal year with cumulative fiscal year-to-date totals.
- The contractor shall provide the DOM the percentage of beneficiaries by month and cumulative for the fiscal year for each level of service.
- The contractor shall provide the DOM the total number of eligible beneficiaries (this number will be provided to the contractor by the DOM) by month.

- The contractor shall provide the DOM the percentage of unduplicated beneficiaries over the total number of eligibles.

Quarterly Suspected Fraud, Abuse and/or Misuse Summary Report

- This report shall be due no later than the 30th day after the end of each calendar quarter and shall include a summary of all cases forwarded to the Office of Inspector General and copied to the contract manager during the previous quarter. The report shall include the beneficiary's name and Medicaid Identification Number, the NET provider's name and number, and a brief description of the suspected fraud, abuse, or misuse.

Annual Report

- This report shall be due no later than the 60th day following the end of each twelve-month period, beginning with the implementation date. The report shall include a narrative summary of all NET brokerage program activity, contractor accomplishments, remaining challenges, and contractor's recommendations.

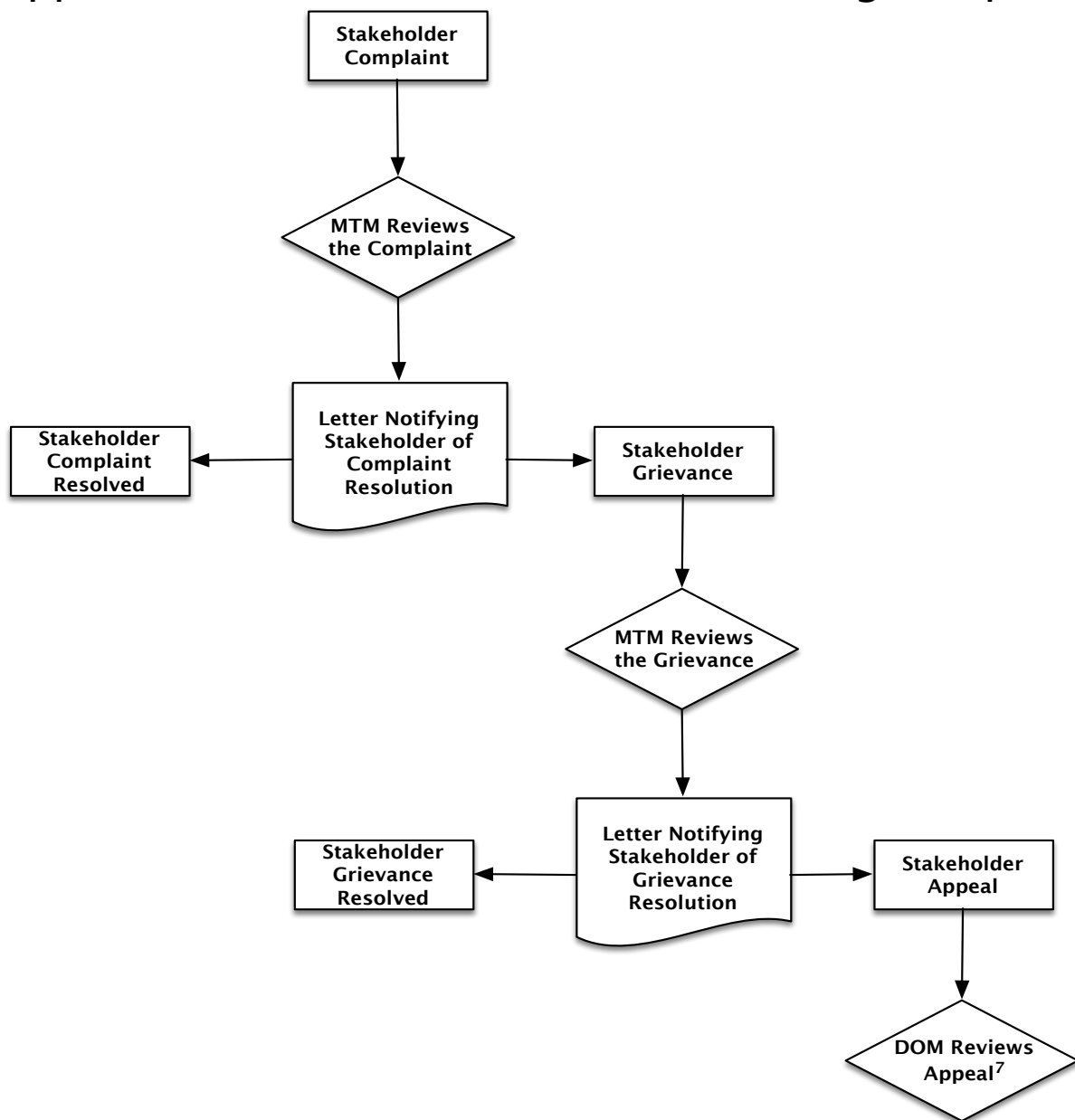
SOURCE: DOM's RFP.

Appendix F: Liquidated Damages that DOM May Assess, Based on the Current NET Broker Contract

Performance Failure	Liquidated Damage Assessment
Failure by contractor to correctly authorize, schedule and provide NET services, where the DOM determines that there is a pattern of such failures.	\$5,000 per day
Failure by contractor to educate beneficiaries, medical providers, and NET providers, where the DOM determines that there is a pattern of such failures.	\$750 per instance
Failure by contractor to maintain a current NET Provider Manual or Operations Procedures Manual.	\$250 per day
Failure by contractor to ensure that drivers and vehicles meet the minimum requirements or failure by contractor to perform required vehicle inspections.	\$1,000 per instance
Failure by contractor to maintain a NET provider network adequate to meet the needs of the contract, as determined by DOM.	\$1,000 per day
Failure by contractor to make timely payment to NET providers as required in this RFP, where the DOM determines that there is a pattern of such failures.	\$1,000 per instance
Failure by contractor to meet the quality assurance and monitoring requirements, including customer satisfaction survey, detailed in the quality assurance plan and monitoring plan.	\$1,000 per instance
Failure by contractor to develop or maintain all required electronic and data systems.	\$2,500 per day
Failure by the contractor to comply with reporting requirements set forth in this RFP.	\$250 per instance, per day
Failure by contractor to maintain staffing levels, including the number and qualifications of staff, and provision of key positions that are outlined in this RFP.	\$2,500 per day
Failure by contractor to conduct pre-transportation and post-transportation validation checks as required in this RFP.	\$250 per instance
Failure by contractor to authorize and schedule NET services within the time frames set forth in this RFP.	\$200 per instance
Failure by contractor to submit by the due date any material required by the contract. DOM will give written notice to contractor, via fax, overnight mail, or through regular mail, of the late material. The contractor shall have ten calendar days following receipt of the notice in which to cure the failure by submitting the complete and accurate material. If the material has not been submitted within the ten calendar day period, DOM, without further notice, may assess damages.	\$250 per instance, per day
Failure by contractor to comply with the close out and turnover requirements of this RFP (amount shall be deducted from the final payment to be made to Contractor).	Up to \$25,000
Any other failure of contractor that the DOM determines constitutes a substantial noncompliance with any material term of the contract and/or RFP not specifically enumerated herein.	N/A

SOURCE: PEER staff created from data provided by DOM.

Appendix G: Stakeholders' Process for Filing Complaints⁶



SOURCE: PEER staff created from data provided by the DOM.

⁶ Please refer to page 5 for list of stakeholders in the non-emergency transportation program.

⁷ The review process for appeals reaching the DOM is determined by which entity is appealing. For information on the various DOM appeals processes, please see pages 28 through 32. As of May 4, 2016, DOM had not received any appeals from the various complaint-resolution processes of the NET program.

August 12, 2016

James A. Barber, Executive Director
Mississippi Joint Legislative PEER Committee
PO Box 1204
Jackson, MS 39215-1204



MISSISSIPPI DIVISION OF
MEDICAID

Dear Mr. Barber:

This letter is in response to your July 27, 2016 correspondence regarding the draft PEER report entitled *A Review of the Procurement and Implementation of the Division of Medicaid's Non-Emergency Transportation Brokerage Contract*. Division of Medicaid (DOM) staff reviewed the draft PEER report and submits the following response.

In response to PEER's recommendations:

- 1. DOM should consider assigning a greater weight to bidders' business/cost proposals. While DOM awarded the highest number of possible points to the business/cost proposal with the lowest cost bid in the most recent NET broker procurement, placing a greater weight on the cost component of future proposals could potentially save the state money on future contracts for the NET program. PEER notes that an increased focus on the cost component of the procurement should occur if DOM shifts to a per member per month procured rate for transportation services based on utilization data and transportation (trip) type payment methodology for the upcoming NET broker RFP.**

Personal Service Contract Review Board (PSCRB) guidance recommends that cost represent at least twenty-five percent (25%) of the total score. DOM assigns cost at thirty percent (30%) of the total score in its procurements. PEER notes in the draft report that for the current Non-Emergency Transportation (NET) contract, DOM's scoring rubric for proposals weighted bidders' technical capabilities at seventy percent (70%) and cost at thirty percent (30%) which is a weight similar to that assigned by other states in their NET RFPs. DOM may consider the PEER recommendation for future procurements related to this service.

- 2. To ensure that all transportation provider are aware of and understand the processes for filing complaints, grievances, and appeals, DOM should require MTM to modify the transportation provider handbook to clarify and specifically detail these processes within the "Complaints and Grievances Program" section. This should include detail on the following points.**
 - **contact information that transportation providers should use to file a complaints appeal;**
 - **what information transportation providers must include in their complaints appeals; and,**
 - **a discussion of the time frames transportation providers must follow when filing an appeal.**

DOM should require MTM to have transportation providers sign a separate form that outlines the complaints, grievances, and appeals processes, with the signature signifying that the provider has read and understands the process.

DOM agrees with the PEER recommendation to require Medical Transportation Management, Inc. (MTM) to modify the transportation provider handbook to clarify and detail these processes within the "Complaints and Grievances Program" section. In accordance with Non-Emergency Transportation Services Request for Proposal (RFP) 20130802, Section 1.15 NET Provider Manual Updates and changes must be approved by DOM before distribution. *DOM shall notify the Contractor in writing if a modification is required, and the Contractor shall incorporate any modifications within ten (10) business days after such notification.* Upon public release of the PEER Report, DOM will notify the Contractor in writing of the required modifications.

RFP 20130802, Section 1.15 requires the NET broker to distribute the NET Provider Manual to all NET Providers whenever significant changes in operation are made, as determined by DOM. MTM requires signature on the DOM approved "Transportation Provider Handbook Receipt Appendix A" form signifying that the NET Provider has read and understands the process.

At this time, RFP 20130802 requirements do not detail a process requiring the NET Broker to obtain a separate form that outlines the complaints, grievances, and appeals processes, with the signature signifying that the provider has read and understands the process. DOM is currently developing an RFP to procure a new NET Brokerage contract with a projected service delivery date of July 1, 2017. DOM included the PEER recommendation as a requirement in the new RFP.

- 3. DOM should analyze data compiled from the NET broker's monthly deliverables and reports in order to identify programmatic and operational areas where service quality could improve and to allow for service quality comparisons from month to month and from contract to contract. This data should also include reports produced from routine monitoring of the recently implemented Preferred Provider program to assist in identifying whether service quality improves over time.**

Currently, DOM analyzes data compiled from the NET broker's monthly deliverables and reports, identifies programmatic and operational areas of improvement and compares month to month trends via quarterly and annual reports detailed in the RFP 20130802. DOM agrees with the PEER recommendation to analyze data from contract to contract and will comply with the recommendation by ensuring report requirements are comparable across contracts.

DOM agrees with the PEER recommendation that data should also include reports produced from routine monitoring of the recently implemented Preferred Provider program to assist in identifying whether service quality improves over time. In accordance with RFP 20130802, the NET broker must have the flexibility to produce additional ad hoc reports based on data collected and DOM has the authority to add reports to be submitted by the NET Broker. Therefore, upon public release of the PEER Report, DOM will notify the Contractor in writing of the additional reporting requirements.

- 4. In order to provide additional motivation to meet performance standards, increase service quality, and increase competition among NET transportation providers, DOM and the NET broker should make the monthly NET provider report cards and NET Preferred Provider information publicly available on their respective websites.**

DOM will further research the PEER recommendation to make the monthly NET provider report cards and NET Preferred Provider information publicly available on the DOM and NET Broker websites. Upon review of concerns related to confidentiality and protected health and financial information, DOM will make the relevant information publicly available via the NET Broker website. The DOM website will then contain links to the NET Broker website.

5. DOM should require that MTM add a section to the current transportation provider handbook that summarizes the types and frequency of monitoring and deliverable reports that DOM requires from MTM as the NET broker. This would illustrate some of the information that DOM routinely reviews regarding NET Services.

Non-Emergency Transportation RFP 20130802 details the types and frequency of monitoring and deliverable reports that DOM requires from MTM as the NET broker. This RFP is currently publicly available on the DOM website at www.medicaid.ms.gov. DOM agrees with PEER recommendation to require that MTM add a section to the current transportation provider handbook that summarizes the types and frequency of monitoring and deliverable reports that DOM requires.

In accordance with RFP 20130802, Section 1.15 NET Provider Manual Updates and changes must be approved by DOM before distribution. *DOM shall notify the Contractor in writing if a modification is required, and the Contractor shall incorporate any modifications within ten (10) business days after such notification.* Upon public release of the PEER Report, DOM will notify the Contractor in writing of the required modifications. DOM is currently developing an RFP to procure a new NET Broker contract with a projected service delivery date of July 1, 2017. DOM included the PEER recommendation as a requirement in the new RFP.

DOM should periodically review and analyze performance standards for the NET broker and transportation provider using longitudinal data compiled from each NET broker contract (see Recommendation 3) to determine whether performance standards should be changed before issuance of an RFP for a new NET broker contract.

DOM agrees with the PEER recommendation to periodically review and analyze performance standards for the NET Broker and transportation provider using longitudinal data compiled from each NET Broker contract (see Recommendation 3). Performance Standards reflect DOM's expectations regarding quality of care and are comparable to other NET programs.

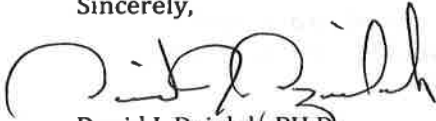
Also, by analyzing longitudinal quality data for the NET program, DOM could determine any patterns or potential problematic areas where the NET broker or providers repeatedly fail to meet performance standards. DOM should consider using more frequent corrective action plans and/or increase punitive damages for repeated failure to meet performance standards. For example, DOM could include in future NET broker contracts an escalation clause with higher liquidated damage amounts assessed and collected when the NET broker consistently fails to meet a specific performance standard.

DOM agrees with the PEER recommendation to use more frequent corrective action plans and/or increase punitive damages for repeated failure to meet performance standards. DOM is currently developing an RFP to procure a new NET Broker contract with a projected

service delivery date of July 1, 2017. DOM included the PEER recommendation as a requirement in the new RFP.

We appreciate the external review conducted by PEER. If you have any questions, please do not hesitate to contact my office.

Sincerely,

A handwritten signature in black ink, appearing to read 'David J. Dzielak', written in a cursive style.

David J. Dzielak, PH.D.
Executive Director

PEER Committee Staff

James A. Barber, Executive Director

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Meri Clare Steelman

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Michael Surratt

