

To: Operations and Scheduling Committee

Date: 12/30/2022

From: Rashida Kamara, Director of ADA & Specialized Services

Reviewed by: *RK*

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**SUBJECT: Potential Coordination of Non-Emergency Medical Transportation (NEMT) with LINK Paratransit**

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### **Background:**

Medicaid health insurance (known as Medi-Cal in California) covers transportation to/from medical appointments. The Non-Emergency Medical Transportation (NEMT) benefits provided via Medicaid include wheelchair van, gurney van and ambulance services. Transit agencies are eligible to offer NEMT trips using Federal Transit Administration (FTA) Section 5310 eligible vehicles. FTA Section 5310 allocates funds used to improve the mobility of seniors and individuals with disabilities by removing barriers to transportation services and expanding the transportation mobility options available. This creates a unique opportunity to provide NEMT services to passengers who may already be using the LINK Paratransit service.

### **NEMT Sample Use Case**

Both transit agencies and riders can benefit from this program. Transit agencies are already providing medical trips to/from dialysis, physical therapy, adult day programs, etc. However, agencies are only collecting the passenger fare while bearing the remaining cost of the trip (including fuel, maintenance, and labor). Under the NEMT program, transit agencies receive a Medi-Cal reimbursement of approximately \$35-\$40 per one-way trip (calculated as \$22.06 per one-way + \$1.66 per mile). The passenger does **not** pay a fare because it is covered by their Medi-Cal eligibility. This can add up to significant savings for the rider, especially low-income, high usage riders that require regular dialysis and/or adult daycare programs. The NEMT reimbursement can become a tangible revenue source for the service provider and offer significant savings for passengers.

Operationally speaking, because we already provide Americans with Disabilities (ADA) Paratransit service, adding Medi-Cal NEMT trips would be relatively seamless. Paratransit and NEMT trips can be co-mingled providing operational efficiencies. An alternative option to provide these trips involves using a separate fleet, thereby requiring a capital expenditure to purchase additional vehicles.

Transit agencies across the country are looking for ways to generate revenue and collaborate with passengers. For example, Tri-Delta Transit (Tri-Delta) currently provides NEMT trips using a separate fleet. They currently transport approximately 42 ADA Paratransit certified passengers to various dialysis clinics using designated minivan vehicles. Tri-Delta is an example of a transit agency handling both the administrative and operational components of what is required to

operate a NEMT service. In all, Tri-Delta's NEMT service equates to an annual revenue (reported in 2022) of approximately \$250K.

County Connection staff is working with Tranova – a transportation consulting firm - to explore the methodologies available to provide Medi-Cal NEMT trips to our passengers that may qualify for the program.

**Special Considerations:**

Passengers, especially low-income riders, must pay for fares out of pocket to take their trips. Agencies must bear the full cost of trips that are potentially Medi-Cal eligible for reimbursement. The ability to co-mingle the trip by participating in this program could provide both a relief to the passenger and a cost benefit to the agencies. Operationally, transit agencies are naturally poised to carry out NEMT transportation services as ADA paratransit vehicles and operators must adhere and follow federal regulations to ensure safety and reliability for ADA Paratransit passengers.

Traditionally, the passenger and the transit provider must go through multiple Medi-Cal approval processes and conduct prior approval and billing activities on their own. The approval process can take up to six months. Administratively, agencies need to assist riders obtain prior approval from Medi-Cal to authorize trips, track NEMT riders and trips in their system, then bill each applicable Medi-Cal provider. This can take up resources and a significant amount of time from the transit agency.

**Financial Implication:**

Under this program transit agencies may be eligible to receive from Medi-Cal \$22.06 per one-way + \$1.66 per mile or approximately \$35-\$40 per one-way trip. An average dialysis rider takes three (3) round trips per week or 300 one-way trips per year. The revenue for each of these riders could total approximately \$10,000 per year.

**Recommendation:**

None, for information only.

**Attachments:**

None