

To: Board of Directors

Date: 05/11/2023

From: Rashida Kamara, Director of ADA & Specialized Services

Reviewed by: *RK*

SUBJECT: Non-Emergency Medical Transportation (NEMT) Contract Recommendation

Background:

In January of 2023, staff proposed participating in the Medi-Cal (Medicaid in California) Non-Emergency Medical Transportation (NEMT) program to the Operating & Scheduling (O&S) Committee. This program covers transportation to and from medical appointments, including wheelchair vans, gurney vans and ambulance services. Transit agencies are eligible to provide NEMT trips using Federal Transportation Administration (FTA) Section 5310 eligible vehicles, which allocates funds to improve mobility for seniors and individuals with disabilities. Leveraging the existing fleet for eligible passengers would help both County Connection and its low-income passengers avoid significant costs. Participating in the program requires administrative work and cooperation with Medi-Cal. However, there is potential for substantial revenue collection to help offset these costs.

Eligibility Process:

The process for a transit agency to become approved by Medi-Cal to provide NEMT trips can take about six months. Once approved, transit agencies can receive Medi-Cal reimbursement of approximately \$35-\$40 per one-way trip for NEMT services, while passengers do not pay fares directly, as their eligibility is covered by Medi-Cal. NEMT trips can be co-mingled with the Americans with Disabilities Act (ADA) Paratransit Services to provide operational efficiencies, avoiding the need for a separate fleet.

Request for Proposals Update:

In February 2023, County Connection staff released a Request for Proposals (RFP) for a NEMT management service that could help the agency qualify as a provider and identify eligible trips. County Connection staff partnered with Deanna Perry, Manager of Accessible Services at Tri-Delta, to be part of the selection process since she has been managing an NEMT reimbursement program for over 8 years. There was one qualified proposal received in response to the RFP from Tranova, LLC (Tranova) a company that provides NEMT oversight and reimbursement programs for other transit agencies. The panel concluded that Tranova possesses the experience and qualifications needed to administer this program.

Financial Implication:

Tranova proposed a one-time set-up fee of \$49,500 plus an hourly rate of \$150 per hour for ongoing support. Set-up activities include establishing state Medi-Cal approvals, managed care approvals, training, testing, policy development, outreach strategies/materials, and outreach activities. Ongoing support consists of billing Medi-Cal for eligible trips and other miscellaneous support. Monthly costs are estimated at \$2,250, with a projected annual expense of \$27,000. Once the program is up and running, staff conservatively estimates it will generate approximately \$20,000 per month (or \$240,000 per year)

in Medi-Cal revenue, which will be more than sufficient to offset the costs. Should the set-up costs exceed Medi-Cal revenue in the first year of the program, Transportation Development Act (TDA) funds will be utilized to bridge the funding gap. Tranova's proposed cost structure is included at Attachment 1.

Recommendation:

Staff recommends awarding a contract for management of NEMT reimbursement services to Tranova LLC for a two-year base term with three one-year options commencing July 1, 2023, at the cost of \$49,500 for initial start-up and \$150 per hour for ongoing services.

Action Requested:

Staff respectfully requests the Board of Directors approve resolution No. 2023-035 authorizing the General Manager to enter into an agreement with Tranova LLC. to provide NEMT reimbursement management services for a two-year base term with three one-year options commencing July 1, 2023, at the cost of \$49,500 for initial start-up and \$150 per hour for ongoing services.

Attachments:

Attachment 1: Tranova's Cost Proposal Structure



ALTERNATIVE COST STRUCTURE FOR NEMT SERVICES PROPOSAL

4. Cost Proposal

Tranova proposes pricing as an hourly rate for services provided.

4.1. Hourly Rate

- \$150.00

4.2. Estimate of Hours and Cost

Set-Up (One-Time, Year 1)	
Set-Up Activities	Estimated Hours
State Medi-Cal approval	50
Managed Care approvals	40
Managed Care training/testing	40
Policy Development	20
Outreach Strategy/Materials	40
Outreach Activities	100
Operations Policies and Training	40
Estimated Set-Up Hours (one-time)	330
Hourly Rate	\$150
Estimated Set-Up Cost (one time)	\$49,500

Ongoing (Post-Launch, Monthly)	
Ongoing Activities (per month)	Estimated Hours
Billing	10
Misc Support	5
Estimated Ongoing Hours (per month)	15
Hourly Rate	\$150
Estimated Ongoing Cost (per month)	\$2,250
Estimated Ongoing Cost (per year)	\$27,000

RESOLUTION NO. 2023-035

**BOARD OF DIRECTORS
CENTRAL CONTRA COSTA TRANSIT AUTHORITY
STATE OF CALIFORNIA**

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**AWARDING A CONTRACT TO TRANOVA, LLC FOR NON-EMERGENCY MEDICAL
TRANSPORTATION SERVICES FOR AN INITIAL AMOUNT NOT TO EXCEED \$49,500 AND
AN HOURLY RATE OF \$150 FOR ONGOING SERVICES**

WHEREAS, the County of Contra Costa, the Cities of Clayton, Concord, Lafayette, Martinez, Orinda, Pleasant Hill, San Ramon and Walnut Creek, and the Towns of Danville and Moraga (hereinafter "Member Jurisdictions") have formed the Central Contra Costa Transit Authority ("CCCTA"), a joint exercise of powers agency created under California Government Code Section 6500 *et seq.*, for the joint exercise of certain powers to provide coordinated and integrated public transportation services within the area of its Member Jurisdictions ("Service Area");

WHEREAS, in January 2023, CCCTA staff proposed participating in the Medi-Cal non-emergency medical transportation ("NEMT") program, which would cover transportation to and from medical appointments, and include wheelchair vans, gurney vans and ambulance services;

WHEREAS, transit agencies are eligible to provide NEMT trips using FTA section 5310 eligible vehicles to improve mobility for seniors and individuals with disabilities;

WHEREAS, in February 2023, CCCTA issued a Request for Proposals ("RFP") for NEMT management services, and received one proposal from Tranova, LLC ("Tranova"), which was evaluated by an evaluation panel consisting of CCCTA staff and a staff member from a partner agency in accordance with the evaluation process in the RFP;

WHEREAS, the evaluation panel has recommended that Tranova provide NEMT management services based upon its experience and qualifications, and has determined that its pricing is fair and reasonable; and

WHEREAS, Tranova proposed a one-time set-up fee of \$49,500 plus an hourly rate of \$150 per hour for ongoing support, and monthly costs are estimated at \$2,250, with a projected annual expense of \$27,000;

WHEREAS, after the program is up and running, staff conservatively estimates it will generate approximately \$20,000 per month (or \$240,000 per year) in Medi-Cal revenue, which will be more than sufficient to offset the costs;

WHEREAS, staff recommends and the Administration and Finance Committee concurs that the Board of Directors award a contract to Tranova for NEMT management services for a two-year base term with three one-year options terms, for an initial amount not to exceed \$49,500 for implementation services and \$150 per hour for ongoing services for an estimated annual cost of \$80,000 for the first year and \$27,000 for the following years, with the understanding that CCCTA's costs for these services will be recouped by Medi-Cal revenue.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Central Contra Costa Transit Authority awards a contract to Tranova, LLC for non-emergency medical transportation management services for a two-year base term with three one-year options terms, for an initial amount not to exceed \$49,500 for implementation services and \$150 per hour for ongoing services for an estimated annual cost of \$80,000 for the first year and \$27,000 for the following years, with the understanding that CCCTA's costs for these services will be recouped by Medi-Cal revenue;

BE IT FURTHER RESOLVED that the General Manager or designee is authorized to execute the agreement with Tranova, LLC, in a form approved by legal counsel; and

BE IT FURTHER RESOLVED that the General Manager or designee is authorized to exercise up to three one-year option terms, if in the best interest of CCCTA.

Regularly passed and adopted this 18th day of May, 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Amy Worth, Chair, Board of Directors

ATTEST:

Lathina Hill, Clerk to the Board