

ANNUAL MONITORING REPORT

Waive of Non-Emergency Medical Transportation for beneficiaries receiving Methadone treatment for Substance Abuse Treatment

State: Kentucky

Demonstration Year: DY1

Reporting Period: July 1, 2019 – June 30, 2020

Approved start and end date of the Demonstration: July 1, 2019 – September 30, 2023

1. Introduction/Background

A waiver of the Non-Emergency Medical Transportation (NEMT) assurance was granted to Kentucky for Methadone Treatment Services to allow the state not to provide NEMT for methadone services to all Medicaid beneficiaries, except that NEMT for methadone services will be provided for children under age 21 who are subject to EPSDT, former foster care youth, and for pregnant women. (A waiver of the NEMT assurance for all other Medicaid covered services is granted for beneficiaries eligible through the new adult group, as defined in 42 CFR 435.119, except for beneficiaries in that group who are under age 21 and subject to EPSDT, pregnant, medically frail, survivors of domestic violence, or former foster care youth.)

Effective July 1, 2019, the Kentucky Department for Medicaid Services (KDMS) with a state plan amendments (SPA), added methadone coverage for substance abuse treatment (SUD). Offering methadone through the state plan was contingent upon the waiver of NEMT.

2. Metrics and Measurements

Table 1: DY1 NEMT Summary, July 2019 – June 2020

Metric #	Metric	Measurement	Data Source
1.	Unique number of beneficiaries who received methadone for SUD treatment	5,489	Encounter Data
2.	Estimated number of beneficiaries receiving methadone treatment eligible for NEMT	312	Encounter Data
3.	Statewide estimated total cost per region for eligible enrollees if NEMT was provided for Methadone treatment	\$4,877,492.88	Administrative and Encounter Data

Table 2: Metric #3 by Transportation Broker Region

Region	Regional Cost	Total Cost	Number of Recipients with an NEMT Service
1	\$57.46	\$250,985.28	14
2	\$57.08	\$125,099.52	6
3	\$52.82	\$49,439.52	3
4	\$48.93	\$30,469.92	2
5	\$55.76	\$34,794.24	2
6	\$38.89	\$1,104,164.88	91
7	\$44.02	\$123,608.16	11
8	\$50.56	\$1,151,554.56	73
9	\$46.34	\$202,413.12	14
10	\$46.31	\$72,243.60	5
11	\$48.18	\$225,529.20	15
12	\$67.23	\$608,297.04	29
13	\$64.56	\$503,568.00	24
14	\$55.09	\$395,325.84	22
15	\$72.17	0	0
TOTAL		\$4,877,492.88	311

3. Methodology

A. Data Sources and Collection:

KDMS contracts with the Department of Transportation (DOT) to provide NEMT services for eligible Medicaid recipients.

NEMT services are available through 15 transportation brokerage regions in Kentucky. KDMS pays a capitation payment for all Medicaid enrollees in each of these brokerage regions. The capitation payment is calculated on the costs of rides for eligible enrollees for NEMT. Medicaid enrollees qualify for NEMT if they do not have an available working vehicle in the household.

Transportation brokers provide information to DOT on rides, trips, and cost which is converted into encounter data where, Gainwell, KDMS contractor enters into the Kentucky Medicaid Management Information System (MMIS). The annual capitation payment is calculated based on an actuarial review, involving encounter data from the previous state fiscal year.

B. Data Analysis Strategy

KDMS utilized the following methodology to determine the number of recipients whom qualified for NEMT and how KDMS obtained potential cost savings by waiving NEMT for methadone treatment.

Metric 1: Unique number of beneficiaries who received Methadone for SUD Treatment.

Metric 1 Analysis: KDMS identified unique beneficiaries receiving methadone treatment for SUD by utilizing claims data. Methadone treatment is reimbursed in a weekly bundled payment utilizing procedure code H0020. Beneficiaries were identified if receiving a paid claim within DY1.

Metric 2: Estimated number of beneficiaries receiving methadone treatment eligible for NEMT.

Metric 2 Analysis: Based on identified beneficiaries from Metric 1, individuals were identified by claims data whom received NEMT for another service, not including methadone treatment. KDMS concluded, beneficiaries receiving NEMT for another service would have qualified for NEMT for methadone treatment without the waiver in place.

Metric 3: Statewide estimated total cost per region for eligible enrollees if NEMT was provided for Methadone treatment.

Metric 3 Analysis: To determine an annual total cost of NEMT, per Kentucky's 15 brokerage regions, not expended for Methadone treatment; KDMS determined the beneficiaries identified in Metric 2 would have utilized six (6) weekly NEMT round trips for their SUD treatment. The number of rides is based on the methadone treatment model.

The regional cost for eligible beneficiaries if NEMT was provided for methadone treatment was calculated utilizing individuals identified in Metric 2, according to their appropriate transportation region. Each trip is reported in DOT's system as a one way trip. To determine an average one way trip cost, DOT took the total costs of all rides and divided by the number of trips. The averages were determined for each region.

Regional cost for eligible recipients if NEMT was provided:

Daily average round trip per regional cost X 6 days a week X 52 weeks X # of eligible recipients per region in Kentucky.

4. Findings and Limitations

Kentucky estimates with the waiver of NEMT for methadone treatment services a cost savings of \$4,877,492.89. The estimated cost will not be applied to the calculation for the following years capitation payment which includes Medicaid enrollees in each brokerage regions receiving NEMT. Due to process of how KDMS reimburses for NEMT services, this limits reporting cost per region instead of cost per county.