TEXAS HEALTH AND HUMAN SERVICES COMMISSION
OFFICE OF INSPECTOR GENERAL
AUDIT REPORT

SUMMARY OF RESULTS

Audits of Texas Medicaid
Medical Transportation Organizations

December 3, 2019
OIG Report No. AUD-20-001

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INTRODUCTION

This audit report summarizes non-emergency medical transportation (NEMT) services in Texas Medicaid managed transportation organizations (MTOs), based on the results of four audits performed by the Texas Health and Human Services Commission (HHSC) Office of Inspector General (OIG) Audit Division.

The OIG Audit Division conducted the four audits of MTOs in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States.

Unless otherwise described, any year referenced is the state fiscal year, which covers the period from September 1 through August 31.

Objective and Scope

The objective of the audits was to determine whether the MTOs' performance in selected areas was in accordance with contract requirements. The audit scope included unmatched Demand Response and Individual Transportation Participant (ITP) encounters for the period from September 1, 2016, through August 31, 2017, activities related to complaint, accident, and incident management, and relevant activities and internal controls in place through the end of fieldwork in July 2019.

Methodology

This summary report is the last in a series of reports on NEMT services in MTOs. The four MTO audit reports detailed the OIG Audit Division's conclusions regarding the compliance of Demand Response, ITP, and complaint, accident, and incident contract requirements at American Medical Response, Inc. (AMR), Medical Transportation Management, Inc. (MTM), Project Amistad (Amistad), and LogistiCare Solutions (LogistiCare). The information presented in this report is based on the results and conclusions from the four MTO audits. It includes issues identified as systemic and recommendations for improvement, which can be addressed by HHSC.

The OIG Audit Division collected and summarized information for this summary report from the four MTO audit reports by reviewing:

- Demand Response and ITP encounters
- Demand Response driver logs and ITP mileage reimbursement forms
- Transportation authorization screen shots from the MTOs transportation management system
- MTO policies and procedures
- MTO complaint, accident, and incident reports

- HHSC Medical Transportation Program (MTP) accident and incident reports
- Health and Human Services Enterprise Administrative Report and Tracking (HEART) complaints

Background

HHSC contracts with MTOs to provide NEMT services,[1] which are those defined in Appendix A, to eligible recipients in Medicaid who have no other means of transportation. HHSC contracted with four MTOs to provide Medicaid recipients quality, safe, timely, and economical transportation services through a full-risk or risk-based contract. A full-risk contract means the MTOs are at risk for expenses incurred while providing contractually required services and deliverables, even if such expenses are in excess of the capitation payments received from HHSC. According to the MTO contracts, the MTOs are responsible for arranging and coordinating NEMT services for eligible Medicaid recipients who reside in its defined regions or service delivery areas (SDAs).

The contracted MTOs for 2017 were AMR, MTM, Amistad, and LogistiCare. Table 1 indicates which MTOs serve which regions. The map shown in Figure A shows of the specific regions managed by each of the MTOs.
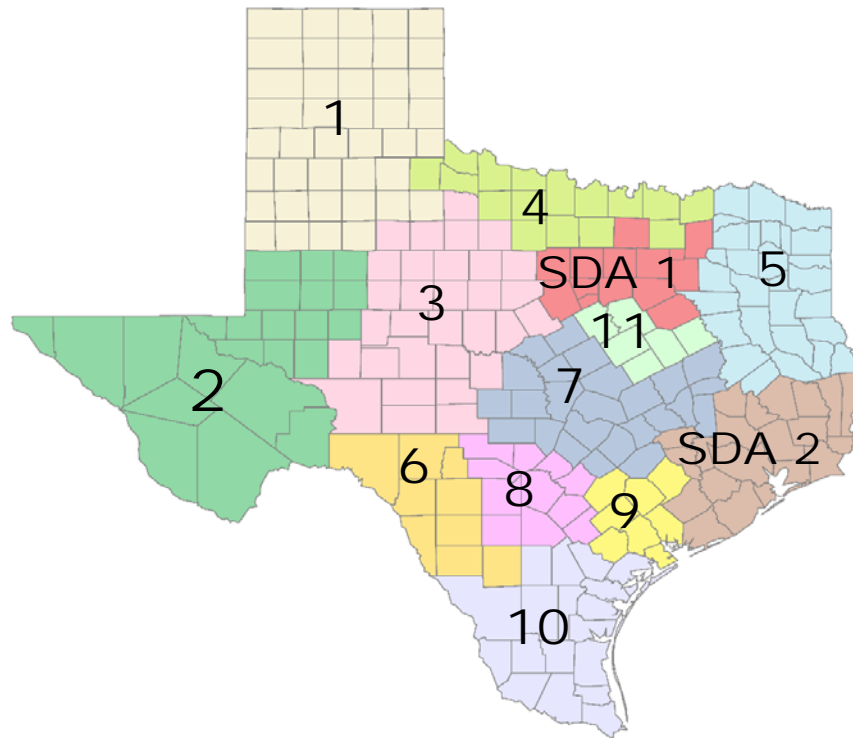
Table 1:   Regions Served by MTO

MTO	Regions Served
AMR	3, 6
MTM	5, 9, SDA 2
Amistad	2
LogistiCare	1, 7, 8, 10, 11, SDA 1
HHSC (Fee-for-Service)	4

Source: HHSC

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[1] Managed Transportation Organization Contracts, Exhibit G, Regions 2, 3, 5, 6, 7, 9, and 11, § 2.3 (Aug. 1, 2014) and Region 8, § 2.3 (Aug. 1, 2014, amended June 1, 2015); Full Risk Broker Services Contract, Attachment A, Service Delivery Area 1, § 1.09 (Apr. 16, 2012, amended Sept. 1, 2016) and Service Delivery Area 2, § 1 (Mar. 15, 2012, amended Sept. 1, 2016).

Figure A: MTO Regions Map

Source: HHSC

Table 2 shows a breakdown of capitation payments received and the monthly average member count for the contracted MTOs.

Table 2:   Total MTO Capitation Payments and Monthly Member Counts for 2017[2]

MTO	Capitation Payments	Number of Members[3]
AMR	$ 8,364,013	56,041
MTM	49,231,712	436,699
Project Amistad	12,517,266	234,469
LogistiCare	69,081,645	396,540
Total	$139,194,636	

Source: HHSC Financial Statistical Report

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[2] Regions 1, 4, and 10 were not in scope for the individual audit reports and were excluded in the MTO capitation payments and member counts for 2017.

[3] Monthly average number of members enrolled in the MTO's SDAs and Regions.

The OIG Audit Division published reports as part of this series of MTO audits:

- AMR, issued June 18, 2019
- MTM, issued July 17, 2019
- Amistad, issued July 23, 2019
- LogistiCare, issued August 22, 2019

These audits focused on Demand Response and ITP transportation encounters associated with beneficiaries for whom there was no corresponding Medicaid medical claim or encounter within a range of seven days before and seven days after the transportation encounter. These encounters were referred to in the MTO audits as unmatched encounters. The OIG Audit Division conducted Demand Response and ITP testing to determine whether encounter data was supported by:

- Information in the MTOs' transportation management systems
- The standardized Driver's Logs containing all required information
- The ITP Service Records containing all required information

The OIG Audit Division also evaluated the MTOs' management of complaints, accidents, and incidents, and determined if monitoring activities performed by the MTOs were in compliance with contract requirements and were effective in monitoring transportation provider performance.

As enacted in Texas House Bill 1576, (86th Legislature Regular Session, 2019), beginning not later than January 1, 2020, Medicaid managed care organizations (MCOs) in at least three, but not more than four, managed care service areas designated by HHSC, including at least one rural and one urban, will be required to arrange and provide non-medical transportation services[4] to recipients enrolled in a managed care plan offered by the MCO. MCOs may subcontract with a transportation vendor or other third party to provide these services. MTOs will continue to manage transportation service areas not managed by the MCOs.

The observations discussed in this report and recommendations for improvement will remain relevant to the management of non-emergency medical transportation services whether delivered by an MTO or MCO.

The OIG Audit Division presented audit results, issues, and recommendations to HHSC Medicaid and CHIP Services (MCS) in a draft report dated October 11, 2019. MCS was provided with the opportunity to study and comment on the report. MCS management responses are included in the report following the recommendations. MCS concurred with the OIG Audit Division recommendations outlined in this report and is implementing action plans.

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[4] Also known as non-emergency medical transportation services (NEMT).

Criteria

The OIG Audit Division used the following criteria to evaluate the information provided:

- 42 C.F.R. § 438.230 (2015)

- 1 Tex. Admin. Code §§ 371.1655 (2016) and 380 (2014)

- HHSC Uniform Terms and Conditions § 5.02, v. 1.5 (2014)

- Managed Transportation Organization Contracts, Regions 2, 3, 5, 6, 7, 9, and 11 (2014), and Region 8 (2014, amended 2015); Full Risk Broker Services Contract, Service Delivery Area 1 and 2 (2012, amended 2016)

- MTO policies and procedures

Auditing Standards

Generally Accepted Government Auditing Standards

The OIG Audit Division conducted this audit in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for the issues and conclusions based on our audit objectives. The OIG Audit Division believes the evidence obtained provides a reasonable basis for our issues and conclusions based on our audit objectives.

OBSERVATIONS

Overall, transportation services selected for review at the four MTOs were delivered and supported by a driver's log or an ITP mileage reimbursement form. In addition, related encounters were accurately reported to HHSC except for certain Demand Response encounters associated with one MTO. The reported encounters included incorrect information about the amounts paid to the transportation provider, even though the MTO had paid the transportation provider appropriately for each authorized transportation service.

At each of the four MTOs, the OIG Audit Division observed and reported that (a) paid transportation claims were supported by incomplete Demand Response driver logs or ITP mileage reimbursement forms and (b) the standardized Driver's Log or ITP Service Record developed by HHSC was not always used to support paid transportation claims as required. One MTO used the appropriate ITP Service Record for the sample items tested.

The MTOs did not ensure that transportation service claims were submitted using the standardized Driver's Logs and ITP Service Records, or that the forms were fully completed before being submitted for payment, even when transportation services were prior authorized by the MTOs.

In addition, the OIG Audit Division observed and reported that some MTOs (a) used incomplete complaint, accident, and incident data to perform monitoring activities of transportation providers, (b) did not have defined and documented policies and procedures for monitoring transportation provider performance, and (c) did not always comply with the contract requirement that prohibited them from contacting the complainant.

The MTOs faced challenges that impacted their ability to effectively manage complaints, accidents, and incidents, because the MTOs (a) tracked complaints separately from HEART system, (b) made internal determinations of the complaint resolution independently of the resolution category in HEART, and (c) were prohibited from contacting the complainant, which can delay resolution of the complaint.

The observations summarized in this report are presented in the two following categories:

- Demand Response Driver Logs and ITP Mileage Reimbursement Forms
- Complaints, Accidents, and Incidents

Details and related recommendations for HHSC Medicaid and CHIP Services (MCS) to consider are in the sections that follow.

DRIVER LOGS AND ITP REIMBURSEMENT FORMS

Demand Response transportation services are provided when fixed-route services are either unavailable or do not meet recipients' needs. Driver logs for Demand Response transportation services must contain certain data elements in order to support a paid claim.[5] In a written policy notification on October 9, 2016, HHSC instructed the MTOs to use the standardized Driver's Log developed by HHSC for all MTOs and their transportation providers, beginning no later than December 1, 2016.[6] A copy of the standardized Driver's Log can be found in Appendix B.

ITP services are provided by individuals who volunteer to provide transportation services for recipients by entering into a participation agreement with an MTO. This service allows the flexibility for individuals to transport recipients in a personal vehicle to health care appointments. ITPs can transport themselves, family members, or non-family members. In a written policy notification on February 24, 2015, HHSC instructed the MTOs to use a standardized mileage reimbursement form developed by HHSC for all MTOs and their ITPs, called ITP Service Record, beginning no later than March 1, 2015.[7] A copy of the ITP Service Record can be found in Appendix C.

In the instructions accompanying the ITP Service Record, HHSC stated that it is the responsibility of the MTO, prior to processing a request for payment, to ensure the accuracy and completeness of information provided on the ITP Service Record.

Observation 1: Validating Transportation Services With Incomplete Information

All four MTOs (a) paid Demand Response transportation providers and ITPs for claims that were not supported by driver logs or mileage reimbursement forms containing all required information and (b) did not always ensure the standardized Demand Response Driver's Log was used before approving claims for payment. Three of the four MTOs did not always ensure the appropriate ITP Service Record was used before approving claims for payment. Table 3 summarizes audit results of transportation claims testing at all four MTOs.

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[5] Managed Transportation Organization Contracts, Exhibit G, Regions 2, 3, 5, 6, 7, 9, and 11, § 2.7.5.10 (Aug. 1, 2014) and Region 8, § 2.7.5.10 (Aug. 1, 2014, amended June 1, 2015); Full Risk Broker Services Contract, Attachment A, Service Delivery Area 1, § 5.5.10 (Apr. 16, 2012, amended Sept. 1, 2016) and Service Delivery Area 2, § 5.5.10 (Mar. 15, 2012, amended Sept. 1, 2016).

[6] 1 Tex. Admin. Code § 371.1655 (May 1, 2016); See also HHSC Uniform Terms and Conditions § 5.02, v. 1.5 (May 21, 2014).

[7] 1 Tex. Admin. Code § 371.1655 (May 1, 2016); See also HHSC Uniform Terms and Conditions § 5.02, v. 1.5 (May 21, 2014).

Table 3:   Breakdown of Issues for Each MTO

Issue	AMR	MTM	Amistad	LogistiCare
Incomplete Driver Logs	X	X	X	X
Out of Date Driver Logs	X	X	X	X
Incomplete Mileage Reimbursement Forms	X	X	X	X
Out of Date Mileage Reimbursement Forms	X	X	—	X

Source: OIG Audit Division

Of the 283 Demand Response driver logs tested, 226 (80 percent) were missing one or more contractually required data elements. In addition, at least 77 percent of 192 driver logs submitted by transportation providers on or after December 1, 2016, were not on the standardized Driver Logs.

Of the 175 ITP mileage reimbursement forms tested, 169 (97 percent) were missing one or more data elements required by HHSC's written policy notification, and 32 percent of 175 ITP mileage reimbursement forms tested were not on the ITP Service Record required by HHSC's written policy notification.

The Driver's Log and ITP Service Record provide data needed to record the delivery of transportation services and support associated payments. However, not all data elements on the Driver's Log or the ITP Service Record are significant in validating that transportation services were authorized and performed. For example, a standardized Driver's Log requires miles driven per trip odometer and an ITP Service Record requires miles and amount per leg and in total. These specific data elements do not affect whether transportation services were authorized, performed, or the amount to be paid per claim. Other circumstances may deem these data elements as useful. For instance, when addressing member complaints stemming from late arrivals, the miles per trip odometer may be referenced.

Each of the four MTOs audited has an internal transportation management system used to schedule trips. The systems contain a mapping engine used and relied upon to determine the number of miles between the authorized pick-up and drop-off addresses. The amount to be paid to the transportation provider is predetermined by contractually specified rates between the MTO and transportation provider. The amount to be paid to an ITP is based on the authorized number of miles and mileage reimbursement rate determined during the scheduling and authorization of transportation services.

Most of the data elements on the standardized Driver's Log and ITP Service Record are captured in the MTOs' transportation management system during the scheduling and prior authorization of transportation services. Trip information is then distributed to transportation providers. After transportation services have been

performed, a standardized Driver's Log or ITP Service Record with all data elements and required signatures is submitted to the MTO for validation, processing, and payment.

Transportation providers may face difficulties properly and completely completing all required fields in the Driver Logs and ITP Service Records. For example, the transportation provider may not know the recipient's Medicaid number, the health care provider national provider identification (NPI) number, the ITP medical transportation identifier (MTI), or the number of miles driven. Transportation providers may also be deterred from providing transportation services if their payment claims are delayed or denied for incomplete information. Additionally, MTOs may incur additional administrative costs and inefficiencies to ensure all Driver Logs and ITP Service Records are filled out properly and completely, particularly if the MTO's transportation management system already captures most of the required data elements.

Recommendation 1

MCS should evaluate and establish the information required to support Demand Response and ITP mileage reimbursement claims. Based on the results, MCS should determine whether to continue requiring MTOs to use the Demand Response Driver's Log and ITP Mileage Reimbursement Form in addition to the MTOs' internal transportation management systems.

Management Response

Action Plan

MCS agrees with the recommendation and will clarify currently available options, as well as explore the feasibility to utilize internal management systems to track required elements on the documentation for demand response and ITP mileage reimbursement.

Currently, for the demand response driver's log, MTOs are required to maintain documentation of the required elements for the drivers log. MTOs are able to define how they want to capture the required information. For some MTOs, this means using an electronic device to capture digital signature and other required elements of the driver log. MCS will send an MTO Notice clarifying the option to use electronic devices, if feasible and cost effective. Digital signatures are acceptable as long as the MTO is able to store and retain the signatures, and make them available to HHSC upon request.

At this time, HHSC is not contemplating changes to the ITP service record template. To facilitate claims processing and mitigate denials, MCS will provide

guidance to the MTOs by December 2019 on the mandatory fields on the ITP service record.

HHSC is in the process of transitioning non-emergency medical transportation (NEMT) services to managed care organizations (MCO) pursuant to H.B. 1576, 86th Legislature, Regular Session, 2019. When the transition is complete, the MCO will continue to have the option for collecting and maintaining the required elements, as appropriate.

Responsible Manager

Director, Managed Care Compliance and Operations

Target Implementation Date

November 2019: MTO Notice clarifying currently available electronic options.

December 2019: MTO Notice clarifying required elements on the ITP service record.

February 2020: Complete evaluation of options for tracking of requirements.

COMPLAINTS, ACCIDENTS, AND INCIDENTS

A complaint is an oral or written expression of dissatisfaction by a Medicaid recipient, the Medicaid recipient's representative, or a transportation provider, to MTP or the MTO, about any matter relating to NEMT services. An accident is an unexpected and unfortunate medically important bodily event causing loss or injury to a person. Accidents may involve loss of property. An incident is an allegation of an event substantiated by commission records, transportation or medical provider records, and witnesses of the incident to the satisfaction of department staff.[8] All accidents, injuries, and incidents must be reported by the MTO on a prescribed HHSC form within the prescribed timeframes, outlined in the MTO contract.[9]

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[8] Managed Transportation Organization Contracts, Attachment B - Definitions and Acronyms, Regions 2, 3, 5, 6, 7, 9, and 11 (Aug. 1, 2014), and Region 8 (Aug. 1, 2014, amended June 1, 2015); and Full Risk Broker Services Contract, Exhibit E – Definitions and Acronyms, Service Delivery Area 1 (Apr. 16, 2012, amended Sept. 1, 2016) and Service Delivery Area 2 (Mar. 15, 2012, amended Sept. 1, 2016).

[9] Managed Transportation Organization Contracts, Exhibit G, Region 2, 3, 5, 6, 7, 9, and 11, § 2.14 (Aug. 1, 2014), and Region 8, § 2.14 (Aug. 1, 2014, amended June 1, 2015); and Full Risk Broker Services Contract, Attachment A, Service Delivery Area 1, § 12 (Apr. 16, 2012, amended Sept. 1, 2016) and Service Delivery Area 2, § 12 (Mar. 15, 2012, amended Sept. 1, 2016).

In a written policy notification on August 12, 2015, HHSC instructed MTOs to forward complaint calls to the MTP Call Center or provide the MTP Call Center's toll-free number to a complainant that directly contacts the MTO, effective immediately.[10] MTP processes complaints it receives directly from complainants, complaints forwarded by the HHS Office of the Ombudsman, or a legislator's office.

When a complaint is received by MTP, details of the complaint are entered into HEART. A HEART tracking number is assigned to the complaint and an email is sent to the appropriate MTO containing the complaint details. Each MTO processes the complaints as they are received and responds to MTP with the results of its reviews and any actions to be taken. The MTOs are not allowed to contact the complainant during their review.[11] MTOs are required to respond to MTP within predetermined timeframes based on the origin of the complaint. Response time requirements are as follows:[12]

- Within five calendar days for MTP
- Within three calendar days for the Ombudsman's Office
- Within 24 hours for legislative offices

MTP reviews the responses provided by the MTOs and will follow up with additional questions or requests, as needed. After response information from the MTOs are entered into HEART, MTP evaluates the complaints and MTO responses and categorizes the complaints as substantiated, unsubstantiated, or unable to substantiate. MTOs are required by contract to have defined processes to manage complaints received from MTP[13] and to monitor the performance of transportation providers.[14]

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[10] 1 Tex. Admin. Code § 371.1655 (May 1, 2016); See also HHSC Uniform Terms and Conditions § 5.02, v. 1.5 (May 21, 2014).

[11] Managed Transportation Organization Contracts, Regions 2, 3, 5, 6, 7, 9, and 11, § 2.7.6.5 (Aug. 1, 2014) and Region 8, § 2.7.6.5 (Aug. 1, 2014, amended June 1, 2015); Full Risk Broker Services Contract, Service Delivery Area 1, § 5.6.6 (Apr. 16, 2012, amended Sept. 1, 2016) and Service Delivery Area 2, § 5.6.6 (Mar. 15, 2012, amended Sept. 1, 2016).

[12] Managed Transportation Organization Contracts, Key Performance Requirements, Regions 2, 3, 5, 6, 7, 9, and 11 (Aug. 1, 2014) and Region 8 (Aug. 1, 2014, amended June 1, 2015); and Full Risk Broker Services Contract, Key Performance Requirements, Service Delivery Area 1 (Apr. 16, 2012, amended Sept. 1, 2016) and Service Delivery Area 2 (Mar. 15, 2012, amended Sept. 1, 2016).

[13] Managed Transportation Organization Contracts, Regions 2, 3, 5, 6, 7, 9, and 11 § 2.7.6.2 (Aug. 1, 2014) and Region 8, § 2.7.6.2 (Aug. 1, 2014, amended June 1, 2015); and Full Risk Broker Services Contract, Service Delivery Area 1, § 5.6.2 (Apr. 16, 2012, amended Sept. 1, 2016) and Service Delivery Area 2, § 5.6.2 (Mar. 15, 2012, amended Sept. 1, 2016).

[14] Managed Transportation Organization Contracts, Regions 2, 3, 5, 6, 7, 9, and 11 § 2.18.1 (Aug. 1, 2014) and Region 8, § 2.18.1 (Aug. 1, 2014, amended June 1, 2015); and Full Risk Broker Services Contract, Service Delivery Area 1, § 16.1 (Apr. 16, 2012, amended Sept. 1, 2016) and Service Delivery Area 2, § 16.1 (Mar. 15, 2012, amended Sept. 1, 2016).

Observation 2:   Monitoring Transportation Providers with Incomplete Complaint, Accident, and Incident Data

Three of the four MTOs (AMR, MTM, and LogistiCare) did not comply with all contract requirements tested for managing selected complaints, accidents, and incidents. Amistad did accurately and completely managed selected complaint, accident, and incident data, and established and followed associated monitoring plans. Table 4 summarizes audit results of complaints, accidents, and incidents at AMR, MTM, and LogistiCare.

Table 4:   Breakdown of Issues for Each MTO

Issue	AMR	MTM	LogistiCare
Incomplete Complaint Data	X	X	X
Incomplete Accident and Incident Data	—	X	X
Lacked Transportation Provider Monitoring Plan Policies and Procedures	X	—	—

Source: OIG Audit Division

The MTOs monitored transportation provider performance by evaluating complaints, accidents, and incidents, but only three of the four had defined and documented policies. Two MTOs with defined monitoring policies used a complaint ratio to help determine when additional monitoring or corrective actions were needed to improve the performance of transportation providers. However, one of the MTOs that had a complaint ratio did not have a process in place to ensure it identified providers or required corrective action for providers who exceeded the ratio. Each MTO is contractually required to develop its own monitoring plan and criteria for monitoring transportation provider performance. Without defined policies and procedures for monitoring transportation providers or complete and accurate complaint, accident, and incident data, the MTOs may not be able to effectively monitor and evaluate transportation providers to ensure appropriate and adequate services are provided to recipients.

MTP uses HEART to track and manage complaints. MTOs do not have access to HEART; therefore, MTOs track and manage complaints using their transportation management system or other internal mechanisms.

The OIG Audit Division compared MTO complaint data to complaint data in HEART and identified discrepancies in the data at three of the four MTOs. In the current process, complaint data is entered and maintained in both HEART and the MTOs' transportation management systems. This results in duplicative efforts to track complaints when the system of record is HEART.

All four MTOs make internal determinations after conducting investigations to categorize complaints as substantiated, unsubstantiated, unable to substantiate, or any other designation as deemed appropriate by the MTOs. However, the MTOs' internal determinations may not match MTP's categorization of the complaint in HEART, because MTP does not provide its complaint category determinations to the MTOs. Not having MTP's categorization of the complaint in HEART can impair the MTOs' ability to accurately and effectively monitor the performance of their transportation providers.

The current complaint handling process prohibits MTOs from contacting the complainants to assist with the investigation during their reviews. This hinders the MTOs' ability to effectively and efficiently determine appropriate complaint resolutions and causes a delay in addressing the complaints, since MTP reviews the information provided by the MTOs before determining the complaint categories. Consequently, it takes MTOs longer to process the complaint than it would if they had access to the complainant. For example, if the complaint was originally filed with a legislator's office, the MTO has only 24 hours to respond to MTP after it has reviewed, investigated, and formulated a resolution. The time factor is critical due to the required response times associated with different complaint origins.

The MTOs (a) must manage complaints in a separate system that does not always reconcile to HEART, (b) do not have access to HEART complaint data and have to make an internal determination of the complaint category that could be different from the determination in HEART, and (c) are prohibited from contacting the complainant to inquire about and resolve complaints. This creates inefficiencies and redundancies in managing complaints and impacts the MTOs ability to accurately and effectively monitor transportation provider performance, which can influence the services provided to recipients.

Recommendation 2

MCS should evaluate the complaint process for improvements in data accuracy and complaints management, to include:

- Establishing a single system of complaint records that both the MTOs and HHSC use to better manage complaints and transportation provider performance.

- Determining whether allowing the MTOs to contact the complainant would improve the complaint process and result in a more efficient resolution of a complaint.

Based on results, MCS should implement programmatic changes or other actions to improve the complaint process.

Management Response

Action Plan

MCS agrees with the recommendation.

MCS is currently working with HHSC Information Technology staff to grant MTOs access to HEART, which would enable HEART to be the system of record to register and respond to MTP complaints. MSC amended the MTO/FRB contracts to require the MTO/FRBs to use HEART as the single system of complaint records when functionality becomes available.

Currently, the MTO/FRBs are contractually required to submit monthly complaint information on the Monthly Complaint Reconciliation Report (MCRR). The MCRR includes the MTO/FRB's detailed responses to HHSC for reconciliation purposes against HEART complaint records. The latter ensures that all MTP complaints are registered in HEART.

MCS agrees that the MTOs should have flexibility in the options to investigate claims. To ensure the MTOs have all available means to resolve complaints, MCS amended the NEMT contracts adding language requiring MTOs to develop a process to investigate and resolve complaints within contract specified time frames. The intent of the revision is to provide options regarding the means of investigating complaints, including methods such as: (a) initiating direct contact with client, driver, and other passengers; (b) obtaining written statements from all involved parties; (c) viewing video footage, if available; (d) conducting in-person interviews with appropriate parties involved; or (e) implementing any other technique that does hinder, dismiss, or cause to conduct a client or other to feel intimidated or harassed.

MCS staff will provide clarification on intent of revised language through the MTO Notice process and will evaluate whether the NEMT Services contract will be amended to remove any conflicting or unclear language regarding complaints.

Responsible Managers

Director, Managed Care Compliance and Operations

Target Implementation Date

November 2019: MTO Notice clarifying language related to complaint tracking and resolution.

CONCLUSION

This report is the last in a series of reports on NEMT services in MTOs, and provides a summary and overview of Demand Response, ITP, and complaint information during audits of four MTOs. As result of this series of audits, the MTOs have already taken corrective actions to address the findings identified in the audit reports, and other corrective actions are in progress.

The OIG observed that, in general, MTOs:

- Provided transportation services to members for selected transportation encounters.

- Did not always use the standard Driver's Log or ITP Service Record forms that had complete information.

- Encountered challenges in efficiently and effectively managing complaints, accidents, and incidents, and monitoring of transportation providers.

The OIG Audit Division offered recommendations to MCS that, if implemented, may (a) improve efficiencies in processing transportation claims, (b) reduce administrative burden to transportation providers and MTOs, and (c) strengthen MCS and MTOs' ability to accurately and effectively monitor transportation provider performance and related corrective action plans.

As appropriate, instances of noncompliance with contract requirements for health care benefits or services identified in this audit may be subject to administrative enforcement measures[15] or a recommendation for the imposition of liquidated damages.

The OIG Audit Division thanks the management and staff of HHSC and the MTOs for their cooperation and assistance.

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[15] 1 Tex. Admin. Code § 371.1603 (May 1, 2016).

Appendix A: Glossary of Required Services Provided by MTOs

Demand Response Transportation
Transportation services provided by contractors when fixed-route services are either unavailable or do not meet the health care needs of the recipient.

Mass Transit Tickets
Public transportation by intra-city, inter-city bus, rail, or ferry, either publicly or privately owned, which provides general or special service transportation to the public on a regular and continuing basis.

Individual Transportation Participant (ITP)
Transportation services provided by individuals who volunteer to participate by entering into a participation agreement with HHSC's Claims Administrator. This service allows for the flexibility of individuals to transport recipients in personal cars to health care appointments.

Meals and Lodging
Provides an allowance for meals and lodging for a recipient and attendant, as applicable, when health care treatment requires an overnight stay outside of their resident county or beyond adjacent counties.

Advance Funds
Funds made available to recipients facing financial hardship and in need of transportation services to attend a health care appointment. These funds must be available to eligible recipients through age 20.

Out-of-State Travel
Transportation provided to contiguous counties or bordering counties in adjoining states (Arkansas, Louisiana, New Mexico, and Oklahoma) that are within 50 miles of the Texas border, if the services are medically necessary, and it is the customary or general practice of recipients in a particular locality within Texas to obtain services from the out-of-state provider. Out-of-state travel is also provided for recipients who need to travel to states outside of the adjoining states for medically necessary health care services that cannot be provided within the State of Texas.

Attendant Services
Transportation provided for an attendant for a recipient, when necessary. An attendant is an adult or service animal that accompanies the recipient with prior authorization. Attendants provide necessary help with mobility, language, or

personal assistance to the recipient during the time transportation services are provided.[16]

<u>Commercial Airline Transportation Services</u>
Services provided by a commercial airline for transportation to medically necessary medical care or other health care service that cannot be provided within the MTO regions where the recipient resides.

<u>Call Center Operations</u>
Call centers manage trip scheduling and authorizations for recipients.

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[16] A recipient 14 years of age and under must be accompanied by a parent, guardian, or other authorized adult to accompany the recipient on all trips. Recipients 15 to 17 years of age must be accompanied by a parent, legal guardian, or other authorized adults unless (a) parent or legal guardian has provided a signed written consent for the recipient to travel alone or (b) the treatment to which the minor is being transported is such that the law extends confidentiality to the minor for the treatment.

Appendix B: Demand Response Standardized Driver's Log

Figure B.1: Demand Response Standardized Driver's Log Sample

Source: HHSC

Appendix C: ITP Service Record

Figure C.1:   ITP Service Record Sample

ITP Service Record (form name)		
Client Name:	**Client Telephone:** ( )	**Client Medicaid:**
ITP Name:	**ITP Telephone:** ( )	**ITP MTI Number:**

Trip #1

From:	To:	Miles:	Amount:
From:	To:	Miles:	Amount:
Authorization Number:	**Appointment Date/Time:**	**Total Miles:**	**Total Amount:**
Health Care Provider NPI:	**Health Care Provider Telephone:** ( )	**Health Care Provider Name:**	
I certify that this patient was seen for a Medicaid/CSHCN covered health-care service.	**Signature & Title of Health-care Provider:** ➡	**Date Signed:**	

Trip #2

From:	To:	Miles:	Amount:
From:	To:	Miles:	Amount:
Authorization Number:	**Appointment Date/Time:**	**Total Miles:**	**Total Amount:**
Health Care Provider NPI:	**Health Care Provider Telephone:** ( )	**Health Care Provider Name:**	
I certify that this patient was seen for a Medicaid/CSHCN covered health-care service.	**Signature & Title of Health-care Provider:** ➡	**Date Signed:**	

ITP Drivers: *Please note that the allowable mileage that may be claimed for reimbursement is preprinted on the form.*

AFFIDAVIT: This is to certify that the foregoing information is true, accurate, and complete. I understand that payment of this claim is from Federal and State funds, and that any falsification, or concealment of a material fact, may be prosecuted under Federal and State laws. I hereby certify that this claim contains no willful misrepresentation or falsification and that the information I have given is true and correct to the best of my knowledge and belief. I attest that I have complied with all of the provisions of the Individual Transportation Participant Agreement when providing the transportation services for which I am seeking reimbursement.

_____   _____
Signature of Individual Transportation Participant (ITP)   Date

All forms must be mailed to <MTO Name>
ATTN: {INSERT}
Street Address
City, State, Zip Code
Note: *Please retain a copy for your records*

Source: HHSC

Appendix D: Report Team and Distribution

Report Team

OIG staff members who contributed to this audit report include:

- Kacy VerColen, CPA, Interim Deputy IG for Audit

- Steve Sizemore, CIA, CISA, CGAP, Audit Director

- Anton Dutchover, CPA, Audit Manager

- Darrell Edgar, Audit Project Manager

- Jude Ugwu, CFE, Senior Auditor

- Erin Powell, Staff Auditor

- Bennie Hookfin, Staff Auditor

- Kanette Blomberg, CPA, Quality Assurance Reviewer

- Kathryn Messina, Senior Audit Operations Analyst

Report Distribution

Health and Human Services

- Dr. Courtney N. Phillips, Executive Commissioner

- Cecile Erwin Young, Chief Deputy Executive Commissioner

- Victoria Ford, Chief Policy Officer

- Karen Ray, Chief Counsel

- Nicole Guerrero, Director of Internal Audit

- Stephanie Muth, State Medicaid Director, Medicaid and CHIP Services

- Katherine Scheib, Deputy Associate Commissioner, Medicaid and CHIP Services

- Grace Windbigler, Director, Managed Care Compliance and Operations, Medicaid and CHIP Services

Appendix E: OIG Mission, Leadership, and Contact Information

The mission of OIG is to prevent, detect, and deter fraud, waste, and abuse through the audit, investigation, and inspection of federal and state taxpayer dollars used in the provision and delivery of health and human services in Texas. The senior leadership guiding the fulfillment of OIG's mission and statutory responsibility includes:

- Sylvia Hernandez Kauffman, Inspector General

- Susan Biles, Chief of Staff

- Dirk Johnson, Chief Counsel

- Christine Maldonado, Chief of Operations and Workforce Leadership

- Quinton Arnold, Chief of Inspections and Investigations

- Steve Johnson, Chief of Medicaid Program Integrity

To Obtain Copies of OIG Reports

- OIG website: https://oig.hhsc.texas.gov

To Report Fraud, Waste, and Abuse in Texas HHS Programs

- Online: https://oig.hhsc.texas.gov/report-fraud

- Phone: 1-800-436-6184

To Contact OIG

- Email: OIGCommunications@hhsc.state.tx.us

- Mail: Texas Health and Human Services Commission
Office of Inspector General
P.O. Box 85200
Austin, Texas 78708-5200

- Phone: 512-491-2000