Statewide Medicaid and Managed Care: Expanding Role for Community Transit

CTAA Expo 2015

June 3, 2015
NJ Medicaid Broker Implementation

• Spring 2009- NJDHS awards capitated broker contract to Logisticare

• Spring 2010- Logisticare begins transition of ambulatory services brokering from county BSS

• October 1, 2010- Logisticare begins first provider contract with county operator

• January 2011- Logisticare completes transition of 21 county Medicaid services
Impact of County Contracts

- Create win-win of new revenue for counties, lower cost for broker
- Take advantage of empty seats on County provider non-Medicaid vehicle runs
- Focus on existing County medical subscription runs (mental health, dialysis, etc)
Out of Network Contract

- Broker accepts training and background checks for county providers required by FTA grantors
- Examples- accept PASS driver training, 5 panel drug test, background checks
- Eliminate liquidated damages except in most egregious cases
County Provider Experience

- Currently eleven of 21 NJ counties coordinated systems under contract with Logisticare
- Counties range from rural to urban
- Counties negotiate individual per trip rates based on costs, livery market rates
- Counties focused on adding Medicaid trips to existing vehicle runs
## Selected County Provider Characteristics

<table>
<thead>
<tr>
<th></th>
<th>Hudson</th>
<th>Middlesex</th>
<th>Sussex</th>
<th>Union</th>
</tr>
</thead>
<tbody>
<tr>
<td>Density/Sq. Mile</td>
<td>10,962</td>
<td>2360</td>
<td>269</td>
<td>4966</td>
</tr>
<tr>
<td>Population 2010</td>
<td>666,980</td>
<td>819,730</td>
<td>161,920</td>
<td>543,390</td>
</tr>
<tr>
<td>Annual 2013 Ridership</td>
<td>110,485</td>
<td>556,015</td>
<td>117,306</td>
<td>219,441</td>
</tr>
<tr>
<td>Cost/Trip</td>
<td>$26.24</td>
<td>$12.82</td>
<td>$18.21</td>
<td>$18.57</td>
</tr>
</tbody>
</table>
## County Provider Cost/Revenue

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Medicaid Trip Rate</td>
<td>$10.00</td>
<td>$7.50</td>
<td>$19.00</td>
<td>$10.00</td>
</tr>
<tr>
<td>2013 Revenue</td>
<td>$64,450</td>
<td>$17,070</td>
<td>$70,020</td>
<td>$74,891</td>
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<tr>
<td>2014 Revenue</td>
<td>$66,000</td>
<td>$9578</td>
<td>$55,385</td>
<td>$69,491</td>
</tr>
<tr>
<td>Start Date</td>
<td>4/11</td>
<td>10/10</td>
<td>1/11</td>
<td>12/10</td>
</tr>
</tbody>
</table>
Monthly Medicaid Revenue (Average 2014)

- Hudson County: $5500.00
- Middlesex County: $798.00
- Sussex County: $4615.00
- Union County: $5791.00
NJ Transit Sponsored County-Broker Meetings

• Arranged meetings between Logisticare and counties hosted at county locations
• Opportunity for county stakeholders (transportation, Comptroller, County Counsel) to air questions directly
• Meetings have led to county contract negotiation
Other Counties Under Contract with Logisticare

- Hunterdon County
- Passaic County
- Cape May
- Camden County
- Burlington County
- Bergen County
The Future: Managed Care

- Some managed care insurance providers are providing transportation services through national NEMT brokers
- Two insurance companies are now funneling Medicare consumer transportation through Logisticare in NJ
- County providers are now getting paid for some of the Medicare seniors they were serving without direct reimbursement
Findings

• County reimbursement rates lower than livery base rate plus mileage for trips over 3 miles
• County operating costs are higher so need to avoid single occupant trips
• Logisticare customers benefit from consistency of daily County runs
• County providers have obtained new revenue with minimal additional cost