

Medicaid
Non-Emergency
Transportation
Legislative Report

December 2019

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As the NET Monitoring Contractor, the Arkansas Foundation for Medical Care (AFMC), is responsible for working with the state to manage and monitor NET services.

Effective February 1, 2019, region-specific broker and county service area information was as follows:

- Region A: Transportation services for beneficiaries residing in Baxter, Benton, Boone, Carroll, Madison, Marion, Newton, Searcy, and Washington counties were provided by Southeastrans.
- Region B: Transportation services for beneficiaries residing in Cleburne, Fulton, Independence, Izard, Jackson, Sharp, Stone, Van Buren, White, and Woodruff counties were provided by Southeastrans.
- Region C: Transportation services for beneficiaries residing in Clay, Craighead, Crittenden, Cross, Greene, Lawrence, Mississippi, Poinsett, Randolph, and St. Francis counties were provided by Southeastrans.
- Region D: Transportation services for beneficiaries residing in Conway, Crawford, Franklin, Johnson, Logan, Perry, Polk, Pope, Scott, Sebastian, and Yell counties were provided by Southeastrans.
- Region E: Transportation services for beneficiaries residing in Calhoun, Clark, Columbia, Dallas, Garland, Hempstead, Hot Spring, Howard, Lafayette, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Saline, Sevier, and Union counties were provided by Central Arkansas Development Council.
- Region F: Transportation services for beneficiaries residing in Arkansas, Ashley, Bradley, Chicot, Cleveland, Desha, Drew, Grant, Jefferson, Lee, Lincoln, Monroe, Phillips, and Prairie counties were provided by Area Agency on Aging of Southeast Arkansas.
- Region G: Transportation services for beneficiaries residing in Faulkner, Lonoke, and Pulaski counties were provided by Southeastrans.

**NET Complaints by Region and Contract Type
December 1 through December 30, 2019**

NET complaints received through the NET Helpline by region and contract type.

		NET Region							Grand Total
DTT - EIDT/ADDT Facility	NET Topics	A	B	C	D	E	F	G	
Yes	No Pickup at Residence	0	1	0	0	0	0	0	1
	No Provider/Driver Available	0	0	0	0	0	0	2	2
	Subtotal	0	1	0	0	0	0	2	3
No	CSR Rudeness	0	1	0	0	0	0	1	2
	Driver Rudeness	1	0	0	0	0	0	0	1
	Gas Reimbursement	0	1	0	0	0	0	0	1
	Late Drop Off to Appointment	0	0	0	0	1	0	0	1
	Late Pickup at Appointment	1	0	0	2	0	0	0	3
	Late Pickup at Residence	0	0	0	0	0	1	1	2
	No Pickup at Appointment	0	0	1	0	0	1	0	2
	No Pickup at Residence	1	0	4	0	0	0	1	6
	No Provider/Driver Available	0	2	2	4	0	0	5	13
	Reckless Driving	0	0	0	0	1	0	0	1
	Scheduling Miscommunication	0	0	0	1	0	0	1	2
	Transportation Refused by the Broker	0	0	1	0	0	0	0	1
	Subtotal	3	4	8	7	2	2	9	35
Grand Total		3	5	8	7	2	2	11	38

Total complaints were down from 50 in November 2019, to only 38.

**NET Vehicle Inspections and Redlines
With Camera Installation by Region
December 2019**

The Vehicle Monitor conducted vehicle inspections and, examinations of safety programs, child safety buzzers, and wheelchair lifts in all regions. Inspections took place across the state. No vehicles were redlined in December.

	# of Vehicle Inspections	# of Cameras Installed	Number of Vehicles Redlined
Region A – Southeasterns	0	0	0
Region B – Southeasterns	4	4	0
Region C – Southeasterns	1	1	0
Region D – Southeasterns	0	0	0
Region E – CADC	1	1	0
Region F – AAA of SE AR	0	0	0
Region G – Southeasterns	39	39	0
Total	45	45	0

**NET Driver Audit from Vehicle Inspections
December 2019**

The NET Vehicle Monitor performs monthly scheduled and unscheduled vehicle inspections. The name of the driver operating the vehicle is recorded on the vehicle inspection. Not all inspections have drivers present. The date and driver's name are compared against the driver's hire date in the NET Portal. This audit validates if drivers and/or attendants are providing NET services prior to the NET Monitoring Contractor receiving and approving compliance documents through the NET Portal. 42 drivers were present at the time of the inspection. 42 hire dates were validated. 100% compliance was noted.

	# of Vehicle Inspections	# of Validated Driver's Hire Dates
December	45	42

NET Driver and Attendant Report December 2019

NET brokers submitted information for 904 approved drivers and attendants as of the last day of the reporting month, 12/31/2019. For compliance purposes, driver and attendant totals are reported by subcontractor per their central business location and may be utilized across the state.

	# of Eligible Drivers and Attendants
Region A – Southeasterns	74
Region B – Southeasterns	64
Region C – Southeasterns	65
Region D – Southeasterns	123
Region E – CADC	182
Region F – AAA of SE AR	137
Region G – Southeasterns	259
Total	904

NET Vehicle Report December 2019

NET brokers submitted information for 731 approved vehicles as of the last day of the reporting month, 12/31/2019. For compliance purposes, vehicle totals are reported by subcontractor per their central business location and may be utilized across the state.

	# of Active Vehicles
Region A – Southeasterns	76
Region B – Southeasterns	63
Region C – Southeasterns	56
Region D – Southeasterns	117
Region E – CADC	139
Region F – AAA of SE AR	152
Region G – Southeasterns	128
Total	731

All vehicles operating in the NET program have cameras installed.

NET Monthly Call Center Metrics Report
December 2019

Region	Calls Received	Calls Answered	Calls Abandoned	% Calls Abandoned	Average Speed to Answer (mm:ss)	Average Talk Time (mm:ss)	Average Number of CSRs
A	3,315	3,212	102	3.08%	00:25	04:28	22
B	3,559	3,435	115	3.23%	00:31	04:34	22
C	6,063	5,718	283	4.67%	00:37	04:16	22
D	6,435	5,969	345	5.36%	00:44	04:15	22
E	5,519	4,779	130	2%	00:24	05:42	9
F	16,134	13,902	2,225	13%	00:57	02:53	9
G	7,923	7,335	443	5.59%	00:40	04:18	22

*Regions A, B, C, D and G customer service representatives are available to answer multiple queues.

NET Monthly Denial Report
December 2019

NET brokers must provide the beneficiary written notice when transportation services are denied. A denial notice is sent to the beneficiary and a copy to the NET Monitoring Contractor. 37 denial notices were issued to Medicaid beneficiaries for “No Provider/Subcontractor Available” to transport the beneficiary to their scheduled medical appointments in December 2019. This is a 21% increase from the previous month (in December there were 29 denials).

	No Provider/Subcontractor Available
Region A – Southeasterns	4
Region B – Southeasterns	5
Region C – Southeasterns	6
Region D – Southeasterns	4
Region E – CADAC	0
Region F – AAA of SE AR	0
Region G – Southeasterns	18
Total	37

*Data is based on the beneficiary’s medical appointment date given at the time of the reservation.

**Southeastrans NET and DTT Contracts
Corrective Action Plan and Assessment of Damages
Timeline of Events**

The following is a timeline for the corrective action plan (CAP) and assessment of damages issued to Southeastrans, NET Broker in Regions A, B, C, D, and G, by the Arkansas DHS Office of State Procurement to address the lack of transportation to all eligible beneficiaries, vehicle compliance and readiness, and failure to comply with performance based standards.

Date	Documentation of Events
05/21/2019	DHS Corrective Action Plan Notification to Southeastrans
06/04/2019	Southeastrans Formal CAP Response Submitted to DHS
06/18/2019	DHS Accepted and Approved Southeastrans Revised CAP Response
06/21/2019	Southeastrans CAP Follow-up Response to DHS (an email communication)
07/26/2019	Southeastrans CAP Follow-up Response to DHS
08/20/2019	DHS Issued Assessment of Damages to Southeastrans
08/26/2019	Southeastrans CAP Follow-up Response to DHS
08/30/2019	Southeastrans Formal Assessment of Damages Response Submitted to DHS
11/08/2019	Continued damages discussions

Southeastrans NET and DTT Contracts

Summary of Corrective Action Plan-Significant Events

May 21, 2019

DHS, Office of State Procurement formally notified SET that they were out of compliance with the terms of their two contracts: (1) Non-Emergency Transportation (NET) and (2) Day Treatment Transportation (DTT). DHS asked SET to submit a corrective action plan (CAP) to address the following two (2) problem areas:

1. Providing NET services to all eligible beneficiaries
2. Vehicle readiness

June 4, 2019

SET submitted a formal CAP response to DHS. SET's CAP stated the following (taken directly from the proposed CAP):

Corrective Action Plan:

While the Corrective Action Plan is to rectify the remaining deficiencies in the provider network, SET has already taken many actions to bring the regions to transporting 99.3% of all scheduled transports. Actions already taken include:

1. SET has purchased 16 QRVs and has hired 18 drivers.
2. SET has provided funding to current providers to expand their vehicle fleet and hire additional drivers.
3. SET has hosted Provider/Driver Fairs in both Regions A and G to recruit providers and drivers for both SET and providers.
4. SET is providing gas reimbursement to those members who have friends or family that can take members to their appointments.
5. Two providers were identified as not meeting compliance requirements regarding cameras and issued liquidated damages by day to demand camera installation and activation.

Actions in Progress and Planned Actions Included:

The following actions have been or will be implemented on or before the dates as noted below:

1. Southeastrans commits to having 100% network adequacy in all regions by August 1, 2019 either by either expanding current providers, adding new providers or adding SET vehicles and drivers.
2. Two additional provider/driver recruitment fairs will be held by August 15, 2019 to bring on additional providers, drivers and vehicles
3. Continued communications with medical providers and day programs to encourage contracting as transportation providers for their clients.
4. Southeastrans is available for weekly or bi-weekly meetings with AFMC/DHS to review and discuss network activities and progress.

5. Southeastrans is committed to financial assistance to current providers in adding additional vehicles to the network and expand into other regions.
6. Southeastrans will reduce the deficit of vehicles by 50% by July 1, 2019. SET is currently working with 6 (six) providers that are at various stages of adding vehicles in all regions.
7. Southeastrans will reevaluate our network adequacy as of July 1, 2019 to determine how many SET owned vehicles may be needed to fulfill the needs of all regions. AFMC and DHS will be a part of those discussions.

The current deficit is as follows as of June 4, 2019:

Region	Wheelchair Vehicles	Ambulatory Vehicles
A	6	5
B	3	2
C	2	2
D	0	0
G	4	2

8. SET will continue to monitor vehicles for health and safety issues.

June 18, 2019

DHS accepted and approved the CAP prepared by Southeastrans.

June 21, 2019

SET submitted a June CAP update via email to DHS to follow-up on actions set out in the CAP. SET's update included the following activities:

- Added additional vans and/or drivers in Regions A, B, C, and G.
- Interviewing for Drivers in Region D.
- Buying 10 new vans to distribute across the state to needed areas.

July 11, 2019

SET submitted a July CAP update to DHS to follow-up on actions set out in the CAP. SET's update stated they had done the following:

- **SET is working on bringing on more providers and vehicles in each [region] including our own.**
- **We participated in the Veterans Job Fair in Region A July 26th, to recruit drivers for SET and other providers. We are doing extensive outreach to elected officials and area organizations to recruit additional drivers and potential providers. We have received a lot of information from different agencies that will post jobs for us and the providers. I will be working with the other providers to get these agencies the information to post.**
- **Our Standing Orders representatives are in contact with the facilities and the members letting them know where we are with transportation each day. While we have not had any day programs agree to transport their own members, we have daily communication to assure that they know of any and all progress being made to transport their members.**

- We are having the scheduled meetings with DHS when needed and giving updates weekly.
- We have continual legislative contact.
- We have given financing to 5 providers to help them bring on vans in each area.
- SET determined that while we are expanding the provider network, progress was not as fast as needed for the Medicaid transportation needs.
- SET has added 10 additional vans in addition to the 31 that we have already in operation in the State.
- SET is doing monthly inspections on all vehicles.
- SET is doing observations (spot inspections) throughout the month.

SET gave an update on the fleet deficits as of June 4, 2019: **(updated as of July 11)**

Region	June 4 Wheelchair Vehicles	July 11 Wheelchair Vehicles	June 4 Ambulatory Vehicles	July 11 Ambulatory Vehicles
A	6	6	5	4
B	3	2	2	1
C	2	2	2	3
D	0	0	2	2
G	4	2	5	-2 (2 over)
Total	15	12	16	8

- Note that the chart updated for July 11 does not include the 10 SET vehicles nor the expansion of other providers working to add vehicles through the remainder of July.

July 26, 2019

SET submitted a July CAP update to DHS to follow-up on actions set out in the CAP. SET's update stated they had done the following:

- SET is working on bringing on more providers and vehicles in each [region] including our own.
- We participated in the Veterans Job Fair in Region A July 26th, to recruit drivers for SET and other providers. We are doing extensive outreach to elected officials and area organizations to recruit additional drivers and potential providers. We have received a lot of information from different agencies that will post jobs for us and the providers. I will be working with the other providers to get these agencies the information to post.
- Our Standing Orders representatives are in contact with the facilities and the members letting them know where we are with transportation each day. While we have not had any day programs agree to transport their own members, we have daily communication to assure that they know of any and all progress being made to transport their members.
- We are having the scheduled meetings with DHS when needed and giving updates weekly.
- We have continual legislative contact.
- We have given financing to 5 providers to help them bring on vans in each area.
- SET determined that while we are expanding the provider network, progress was not as fast as needed for the Medicaid transportation needs.

- SET has added 10 additional vans in addition to the 31 that we have already in operation in the State.
- SET is doing monthly inspections on all vehicles.
- SET is doing observations (spot inspections) throughout the month.

SET gave an update on the fleet deficits as of July 11:

Region	June 4 Wheelchair Vehicles	July 29 Wheelchair Vehicles	June 4 Ambulatory Vehicles	July 29 Ambulatory Vehicles
A	6	5	5	3
B	3	2	2	1
C	2	2	2	3
D	0	0	2	2
G	4	2	5	-2 (2 over)
Total	15	11	16	9

- Note that the chart updated for July 11 does not include the 10 SET vehicles nor the expansion of other providers working to add vehicles through the remainder of July.

August 5, 2019

SET submitted an August CAP update to DHS to follow-up on actions set out in the CAP. SET's update was the same as the previous month.

August 19, 2019

SET submitted an August CAP update to DHS to follow-up on actions set out in the CAP. SET's update was the same as the previous month except for an update to the current vehicle deficit and one additional update, both identified below:

The current deficit is as follows as of June 4, 2019: **(updated as of Aug 19)**

Region	June 4 Wheelchair Vehicles	Aug 19 Wheelchair Vehicles	June 4 Ambulatory Vehicles	Aug 19 Ambulatory Vehicles
A	6	3	5	2
B	3	1	2	1
C	2	2	2	3
D	0	0	2	2
G	4	2	5	-2 (2 over)
Total	15	7	16	8

- AMT will be on a corrective action plan to get ALL their vehicles up to Compliance standards.

August 20, 2019

DHS sent a letter to SET notifying them damages were being assessed due to continued non-compliance with the terms of their two contracts, Non-Emergency Transportation (NET) and Day Treatment Transportation (DTT). According to monitoring logs, SET had the following deficiencies:

Missed Trips		Denied rides due to no driver		Total
May 2019	24	May 2019	390	414
June 2019	14	June 2019	319	333
July 2019	16	July 2019	296	312

DHS assesses damages from May 21, 2019, representing one third of the month of May, and the entire months of June and July 2019. Damages assessed were as follows:

(\$500 x 414 rides not provided (May))/3+ (\$500 x 645 rides not provided (June-July)) = \$391,500.

August 26, 2019

SET submitted an August CAP update to DHS to follow-up on actions set out in the CAP. SET stated they had completed the following activities:

- SET is working on bringing on more providers and vehicles in each area, including our own.
- We participated in the Veterans Job Fair in Region A July 26th to recruit drivers for SET and other providers. We are doing extensive outreach to elected officials and area organizations to recruit additional drivers and potential providers. We are received a lot of information from different agencies that will post jobs for us and the providers. I will be working with the other providers to get these agencies the information to post.
- Nicole the QRV Supervisor has been receiving resumes and we have been sending them to the other providers in this area and she has gone up there twice since July 26th and set up for interviews.
- Our Standing orders representatives are in contact with the facilities and the members letting them know where we are with transportation each day. While we have not had any day programs agree to transport their own members, we have daily communication to assure that they know of any and all progress being made to transport their members.
- We are having the scheduled meetings with DHS when needed and giving updates weekly.
- We have continual legislative contact.
- We have given financing to 5 providers to help them bring on vans in each area.
- SET determined that while we are expanding the provider network, progress was not as fast as needed for the Medicaid transportation needs
- SET has added 10 additional vans in addition to the 31 that we have already in operation in the State.
- SET is doing monthly inspections on all vehicles
- SET are doing observations (spot inspections) throughout the month
- Will be placing AMT on a corrective action plan.

SET updated the network deficiencies as of August 19:

Region	June 4 Wheelchair Vehicles	Aug 19 Wheelchair Vehicles	June 4 Ambulatory Vehicles	Aug 19 Ambulatory Vehicles
A	6	3	5	2
B	3	1	2	1
C	2	2	2	3
D	0	0	2	2
G	4	2	5	-2 (2 over)
Total	15	7	16	8

August 30, 2019

SET submitted a response to DHS regarding the assessment of damages. In this response, SET detailed reasons for the deficiencies and actions taken to correct the deficiencies, additionally, SET asked for DHS to waive the assessed damages. In the alternative, SET requested DHS recalculate the damages at a lesser amount. SET noted the following extenuating factors in support of their request to waive damages:

- The previous broker damaged the Provider network. Providers left the network or were not paid fully for completed transports.
- SETI only had 10 (business) days' notice to increase from 275 trips per day (Region D) to 2,169 trips per day (Regions A, B, C, D and G) with a depleted provider network.
- The late decision and announcement (December 2018) of the addition of EIDT/ADDT transports caused an unanticipated 54% increase in transports within the regions.
- The increase in compliance-related requirements resulted in increased financial demands on Providers. This caused several Providers to exit the network or reduce fleet size.
- SETI will continue to invest in its fleet size, payroll, and transportation rates to achieve 100% network capacity and continue to grow SETI's provider network.
- SETI has already expensed over \$3.5mm since 1/17/19 in unbudgeted costs. The expense categories are listed below. These expenses were not part of SETI's bid to the State. These are extraordinary expenses caused by the challenges listed above, and reflect SETI's continuous attempts to bridge the provider shortfalls in the State:
 - Loans for transportation providers \$118,300
 - Advances for transportation providers \$ 29,700
 - Purchase of 54 vehicles \$1,620,000
 - Annual pay and benefits for 54 drivers \$1,752,192

Total \$3,520,192

November 8, 2019

DHS responded to SETI's request to waive or reduce damages. DHS did not approve the request and stated that the damages would be deducted from future invoices. Damages totaled \$391,500.00. SETI has asked for DHS to reconsider this decision and we are currently in discussions.

December 2020

Contract renewed. DHS continued to monitor with no new activity regarding the CAP.