

GAO Highlights

Highlights of [GAO-16-238](#), a report to congressional requesters

Why GAO Did This Study

Medicare and Medicaid provide NEMT services to eligible beneficiaries who need transportation to scheduled nonemergency care. CMS administers Medicare NEMT benefits and is responsible for overseeing Medicaid at the federal level. Spending on NEMT under these programs was \$2.7 billion in 2013—\$1.2 billion for Medicare and \$1.5 billion for Medicaid. Increased demand for NEMT because of increased Medicaid enrollment has led states to seek ways to more efficiently operate NEMT.

GAO was asked to review NEMT under Medicare and Medicaid. This report examines 1) key features of NEMT services under Medicare and Medicaid and how these services are delivered; 2) steps CMS has taken to oversee NEMT under Medicare as well as Medicaid; and 3) the challenges that exist in providing NEMT under Medicaid and steps that selected state Medicaid agencies have taken to address those challenges.

GAO reviewed key documents and interviewed officials from CMS; 15 selected states that range in terms of Medicaid enrollment and geography; and stakeholders, including transportation brokers, health plans, and health care and transportation industry groups.

What GAO Recommends

GAO recommends that the Secretary of HHS direct CMS to assess current Medicaid NEMT guidance and update it as needed. HHS concurred with our recommendation and provided technical comments which we incorporated as appropriate.

View [GAO-16-238](#). For more information, contact Carolyn L. Yocom at (202) 512-7114 or yocomc@gao.gov, or Mark Goldstein at (202) 512-2834 or goldsteinm@gao.gov.

February 2016

NONEMERGENCY MEDICAL TRANSPORTATION

Updated Medicaid Guidance Could Help States

What GAO Found

The nonemergency medical transportation (NEMT) benefits offered by Medicare and Medicaid differ. Medicare provides NEMT via ambulance only when other means of transportation, such as a taxi or wheelchair van, would jeopardize the health of the beneficiary. Medicaid NEMT is generally available for beneficiaries who have no other means of transportation to medical services. States are responsible for the daily operations of their Medicaid programs and have discretion in how they deliver NEMT. Officials from 15 selected states reported using a variety of models to administer NEMT, including transportation brokers, which are entities that contract with states to administer NEMT services.

The Centers for Medicare & Medicaid Services (CMS), within the Department of Health and Human Services (HHS), oversees Medicare and Medicaid at the federal level, but this oversight varies by program. CMS generally uses regular program integrity activities—such as claims reviews—to oversee Medicare NEMT. Under Medicaid, CMS also uses regular oversight activities, and these include overseeing states' program integrity activities and periodically issuing guidance. However, some of CMS's guidance is outdated or may be of limited use because of legislative and other changes that affect Medicaid and states' NEMT programs. For example, a 1998 guidebook on NEMT contains outdated information on implementing NEMT transportation broker programs. Other more recent guidance is targeted for patients and providers rather than state Medicaid programs. However, these programs also benefit from updated guidance on strategies to ensure compliance with federal requirements while incorporating current practices to meet beneficiaries' needs. Guidance for state Medicaid programs is particularly important because NEMT is at high risk for fraud and abuse; some selected states and stakeholders GAO interviewed reported that updated guidance could be helpful. *Standards for Internal Control in the Federal Government* states that management should ensure adequate means of communicating with stakeholders. Effective communications can take many forms, including guidance. CMS officials reported that the agency is considering assessing whether additional NEMT guidance is needed, but has not set time frames for conducting this assessment.

GAO identified four types of challenges related to Medicaid NEMT and several steps taken by states to address some of these challenges. Challenges reported related to containing costs, maintaining program integrity, contracting with and overseeing vendors, and accessing NEMT. For example, states reported challenges containing NEMT costs due to increased NEMT utilization and reported implementing practices to help address these challenges. Such practices include setting fixed provider reimbursement fees that remained relatively constant in recent years. Officials from 7 of the 15 selected states and 6 stakeholders GAO interviewed reported that having information on how states administer NEMT and ways to address challenges could be helpful to states. Some of this information is available; for example, CMS reported collecting information on states' approaches through state Medicaid plans and posting this information on CMS's website. Other organizations, such as the Transit Cooperative Research Program, have or are in the process of collecting such information.