
DIGEST

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HB 129 Original

2019 Regular Session

Carmody

Abstract: Authorizes certain providers to furnish nonemergency and nonmedical transportation services to La. Medicaid program enrollees.

Medicaid Nonmedical Transportation Services

Proposed law provides the following definitions for purposes of proposed law relative to Medicaid nonmedical transportation services:

- (1) "Nonmedical transportation service" means transportation of a Medicaid recipient enrolled in a managed care plan, other than a recipient whose medical or physical condition contraindicates the use of transportation services, to and from a medically necessary, nonemergency covered healthcare service that is scheduled not more than 48 hours before the transportation occurs, including transportation related to all of the following:
 - (a) Discharge from a healthcare facility.
 - (b) Receipt of urgent care.
 - (c) Obtaining pharmacy services and prescription drugs.
 - (d) Obtaining any time-sensitive covered healthcare service.
 - (e) Any transportation to or from a medically necessary, nonemergency covered healthcare service deemed appropriate to be provided by a transportation vendor, as determined by state Medicaid policy.
- (2) "Transportation network company" means a corporation, partnership, sole proprietorship, or other entity that, for compensation, enables a passenger to prearrange with a driver, exclusively through the entity's digital network, a digitally prearranged ride; however, the term does not include an entity that provides any of the following:
 - (a) Street-hail taxicab services.
 - (b) Limousine or other car services arranged by a method other than through a digital network.

- (c) Shared expense carpool or vanpool arrangements.
- (d) A type of ride service for which either of the following conditions apply:
 - (i) The fee received by the driver does not exceed the driver's costs of providing the ride.
 - (ii) The driver receives a fee that exceeds the driver's costs associated with providing the ride but makes not more than three round-trips per day between the driver's or passenger's place of employment and the driver's or passenger's home.
- (5) "Transportation vendor" means an entity, including a transportation network company, that contracts with a Medicaid managed care organization to provide nonmedical transportation services.

Proposed law requires the La. Department of Health (LDH) to promulgate administrative rules regarding the manner in which nonmedical transportation services may be arranged and provided. Stipulates that, at minimum, the rules shall provide for all of the following:

- (1) A requirement that each of the state's Medicaid managed care organizations create a process to verify that a passenger is eligible to receive nonmedical transportation services.
- (2) A requirement that each of the state's Medicaid managed care organizations create a process to ensure that nonmedical transportation services are provided only to and from covered healthcare services.
- (3) A requirement that each transportation vendor, before permitting a motor vehicle operator to provide nonmedical transportation services, confirm all of the following:
 - (a) That the operator is at least 18 years of age.
 - (b) That the operator maintains a valid driver's license issued by this state, another U.S. state, or the District of Columbia.
 - (c) That the operator possesses proof of registration and automobile financial responsibility for each motor vehicle to be used to provide nonmedical transportation services.
- (4) A requirement that each transportation vendor, before permitting a motor vehicle operator to provide nonmedical transportation services, conduct, or cause to be conducted, a local, state, and national criminal background check for the operator and a determination of whether the operator is registered in the national sex offender public website.
- (5) A requirement that each transportation vendor confirm that any vehicle to be used to provide

nonmedical transportation services meets the applicable requirements of present law relative to vehicle registration and has at least four doors.

- (6) A requirement that each transportation vendor obtain and review the operator's driving record.

Proposed law prohibits a motor vehicle operator from providing nonmedical transportation services if the operator meets any of the following conditions:

- (1) He has been convicted in the preceding three-year period of any of the following:
 - (a) More than three offenses classified by the Dept. of Public Safety and Corrections as moving violations.
 - (b) One or more of the following offenses: Resisting an officer under R.S. 14:108 or flight from an officer under R.S. 14:108.1, reckless operation of a vehicle, driving without a valid driver's license, or driving with a suspended driver's license.
- (2) He has been convicted in the preceding seven-year period of any of the following:
 - (a) Operating a vehicle while intoxicated.
 - (b) Use of a motor vehicle to commit a felony.
 - (c) A felony crime involving property damage.
 - (d) Fraud.
 - (e) Theft.
 - (f) A crime of violence, including any assault.
 - (g) An act of terrorism.
- (3) He is found to be registered in the national sex offender public website.

Proposed law prohibits LDH from requiring a motor vehicle operator to enroll as a Medicaid provider in order to provide nonmedical transportation services. Also prohibits LDH from requiring Medicaid managed care organizations to credential a motor vehicle operator to provide nonmedical transportation services.

Proposed law provides that notwithstanding any provision of present law to the contrary, a motor vehicle operator who is part of a transportation network company's network and who satisfies the requirements provided in proposed law and in LDH administrative rules is qualified to provide nonmedical transportation services.

Medicaid Managed Care Transportation Program

Present law provides relative to the operation of major aspects of the state Medicaid program through a system known as managed care in which health benefits and services are delivered through contracted arrangements between the state and managed care organizations that accept a fixed per-member per-month payment for those services.

Proposed law retains present law and adds thereto provisions creating a Medicaid managed care transportation program.

Proposed law adds the following definitions to present law relative to Medicaid managed care:

- (1) "Managed transportation organization" means any of the following:
 - (a) A regional transit entity as defined in present law.
 - (b) An entity that contracts with LDH to provide or arrange for the provision of nonemergency transportation services under the medical transportation program.
 - (c) A local private transportation provider approved by LDH to provide Medicaid nonemergency medical transportation services.
 - (d) Any other entity determined by LDH to meet the requirements of managed transportation organizations provided in proposed law.
- (2) "Medical transportation program" means the program established in proposed law that provides nonemergency transportation services to and from covered healthcare services, based on medical necessity, to Medicaid enrollees who have no other means of transportation.
- (3) "Nonmedical transportation service" means transportation of a Medicaid recipient enrolled in a managed care plan, other than a recipient whose medical or physical condition contraindicates the use of transportation services, to and from a medically necessary, nonemergency covered healthcare service that is scheduled not more than 48 hours before the transportation occurs, including transportation related to all of the following:
 - (a) Discharge from a healthcare facility.
 - (b) Receipt of urgent care.
 - (c) Obtaining pharmacy services and prescription drugs.
 - (d) Obtaining any time-sensitive covered healthcare service.
 - (e) Any transportation to or from a medically necessary, nonemergency covered

healthcare service deemed appropriate to be provided by a transportation vendor, as determined by state Medicaid policy.

- (4) "Transportation network company" means a corporation, partnership, sole proprietorship, or other entity that, for compensation, enables a passenger to prearrange with a driver, exclusively through the entity's digital network, a digitally prearranged ride; however, the term does not include an entity that provides any of the following:
- (a) Street-hail taxicab services.
 - (b) Limousine or other car services arranged by a method other than through a digital network.
 - (c) Shared expense carpool or vanpool arrangements.
 - (d) A type of ride service for which either of the following conditions apply:
 - (i) The fee received by the driver does not exceed the driver's costs of providing the ride.
 - (ii) The driver receives a fee that exceeds the driver's costs associated with providing the ride but makes not more than three round-trips per day between the driver's or passenger's place of employment and the driver's or passenger's home.
- (5) "Transportation vendor" means an entity, including a transportation network company, that contracts with a Medicaid managed care organization to provide nonmedical transportation services.

Proposed law requires LDH to provide medical transportation services on a regional basis through a managed transportation delivery model using managed transportation organizations and providers that, at minimum, meet all of the following conditions and qualifications:

- (1) Operate under a capitated rate system.
- (2) Assume financial responsibility under a full-risk model.
- (3) Operate a call center.
- (4) Use fixed routes when available and appropriate.
- (5) Agree to provide data to LDH if the department determines that the data is required to receive federal matching funds.

Proposed law requires LDH to procure managed transportation organizations under the medical

transportation program through a competitive bidding process for each managed transportation region.

Proposed law requires managed transportation organizations that participate in the medical transportation program to attempt to contract with providers that, at minimum, meet all of the following conditions and qualifications:

- (1) Are considered significant traditional providers as defined in rule by LDH.
- (2) Except as otherwise provided in proposed law, meet minimum quality and efficiency measures and other requirements that may be imposed by the managed transportation organization.
- (3) Agree to accept the prevailing contract rate of the managed transportation organization.

Proposed law provides that, to the extent allowed by federal law, a managed transportation organization may own, operate, and maintain a fleet of vehicles or contract with an entity that owns, operates, and maintains a fleet of vehicles. Provides relative to administrative controls to be exercised by LDH relative to such fleets of vehicles.

Proposed law authorizes managed transportation organizations to subcontract with a transportation network company to provide medical transportation services pursuant to proposed law. Provides that a rule or other requirement adopted by LDH pursuant to proposed law shall not apply to the subcontracted transportation network company or a motor vehicle operator who is part of the company's network. Stipulates that neither LDH or the managed transportation organization shall require a motor vehicle operator who is part of the subcontracted transportation network company's network to enroll as a Medicaid provider in order to provide services in accordance with proposed law.

Proposed law provides that notwithstanding any provision of present law to the contrary, a motor vehicle operator who is part of the network of a transportation network company that subcontracts with a managed transportation organization, as authorized in proposed law, is qualified to provide services in accordance with proposed law if the following conditions are met:

- (1) The transportation network company has satisfied the requirements for transportation vendors with respect to motor vehicle operators provided in proposed law relative to nonmedical transportation services.
- (2) The motor vehicle operator does not meet any disqualifying condition provided in proposed law relative to nonmedical transportation services.

Proposed law requires Medicaid managed care organizations to arrange for the provision of nonmedical transportation services that conform with the requirements of proposed law. Authorizes managed care organizations to contract with transportation vendors or other third parties to arrange for the provision of nonmedical transportation services. Provides that if a managed care organization

contracts with a third party that is not a transportation vendor to arrange for the provision of nonmedical transportation services, the third party shall contract with a transportation vendor to deliver the nonmedical transportation services.

Proposed law requires Medicaid managed care organizations that contract with transportation vendors or other third parties to arrange for the provision of nonmedical transportation services to ensure the effective sharing and integration of service coordination, service authorization, and utilization management data between the managed care organization and the transportation vendor or third party.

Proposed law provides that a managed care organization shall not require either of the following:

- (1) A motor vehicle operator to enroll as a Medicaid provider in order to provide nonmedical transportation services.
- (2) The credentialing of a motor vehicle operator to provide nonmedical transportation services.

(Adds R.S. 46:450.2.1, 460.51(15)-(19), and 460.101-460.103)