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State/Territory Name: Alabama

State Plan Amendment (SPA) #:14-0011

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Atlanta Regional Office
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

February 13, 2015

Ms. Stephanie Azar, Acting Commissioner
Alabama Medicaid Agency
501 Dexter Avenue
Post Office Box 5624
Montgomery, Alabama 36103-5624

Re: Alabama State Plan Amendment 14-0011

Dear Ms. Azar:

We have reviewed the proposed Alabama state plan amendment (SPA) 14-0011, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on November 19, 2014. SPA 14-0011 rescinds the broker model for non-emergency transportation.

Based on the information provided, the Medicaid SPA AL 14-0011 was approved on February 13, 2015. The effective date of this amendment is December 1, 2014. Enclosed is the approved HCFA-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Alice Hogan at (404) 562-7432 or Alice.Hogan@cms.hhs.gov.

Sincerely,

//s//

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
AL-14-011

2. STATE
Alabama

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
December 1, 2014

5. TYPE OF PLAN MATERIAL (*Check One*):

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:
42 CFR 440.170

7. FEDERAL BUDGET IMPACT:
a. FFY 2015 0
b. FFY 2016 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-A, Page 9.a through 9.e and 9.24
Attachment 3.1-D, Page 1

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*):

Attachment 3.1-A, Page 9.a through 9.g and 9.24
Attachment 3.1-D, Page 1

10. SUBJECT OF AMENDMENT:

The primary purpose for this amendment is to rescind the broker model and update the description of the system of delivery for the Non-Emergency Transportation Program.

11. GOVERNOR'S REVIEW (*Check One*):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Governor's designee on file
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL via letter with CMS

12. SIGNATURE OF STATE AGENCY OFFICIAL:

//s//

13. TYPED NAME:

R. Bob Mullins, Jr., MD

14. TITLE: Commissioner

15. DATE SUBMITTED:

16. RETURN TO:

R. Bob Mullins, Jr., MD
Commissioner
Alabama Medicaid Agency
501 Dexter Avenue
Post Office Box 5624
Montgomery, Alabama 36103-5624

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 11-19-14

18. DATE APPROVED: 02-13-15

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 12-01-14

20. SIGNATURE OF REGIONAL OFFICIAL:

//s//

21. TYPED NAME:

Jackie Glaze

22. TITLE: Associate Regional Administrator
Division of Medicaid & Children Health Opns

23. REMARKS: Approved with following changes to items 8 and 9 as authorized by state agency on e-mail dated: 02-13-15

Block #8 changed to read: Attachment 3.1-A pages 9.a through 9.e and 9.24; attachment 3.1-D pages 1, 1.1, 1.2 and 2.

Block #9 changed to read: Attachment 3.1-A pages 9.a through 9.g and 9.24; attachment 3.1-D pages 1 and 2.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

State/Territory: Alabama

SECTION 3 – SERVICES: GENERAL PROVISIONS

3.1 Amount, Duration, and Scope of Services

Medicaid is provided in accordance with the requirements of sections 1902(a), 1902(e), 1903(i), 1905(a), 1905(p), 1905(r), 1905(s), 1906, 1915, 1916, 1920, 1925, 1929, and 1933 of the Act; section 245(A)(h) of the Immigration and Nationality Act; and 42 CFR Parts 431, 440, 441, 442, and 483.

A. Categorically Needy

24. Any other medical care, and any other type of remedial care recognized under State law, specified by the Secretary in accordance with section 1905(a)(28) of the Social Security Act and 42 CFR 440.170.

Non-emergency transportation is provided in accordance with 42 CFR §431.53 as an administrative service.

Without limitations With limitations (Describe limitations in either a Supplement to 3.1A a Supplement or in Attachment 3.1D)

Non-emergency transportation is provided without a broker in accordance with 42 CFR §440.170 as an optional medical service, excluding “school-based” transportation.

Without limitations With limitations (Describe limitations in either a Supplement to 3.1A or in Attachment 3.1D)

(If non-emergency transportation is provided without a broker as an optional medical service or as an administrative service, **the state should describe in Attachment 3.1D how the transportation program operates** including types of transportation and transportation related services provided and any limitations. Describe emergency and non-emergency transportation services separately. Include any interagency or cooperative agreements with other Agencies or programs.)

Non-emergency transportation is provided through a brokerage program as an optional medical service in accordance with 1902(a)(70) of the Social Security Act and 42 CFR 440.170(a)(4).

The State assures it has established a non-emergency medical transportation program in accordance with 1902(a)(70) of the Social Security Act in order to more cost-effectively provide transportation, and can document, upon request from CMS, that the transportation broker was procured in compliance with the requirements of 45 CFR 92.36 (b)-(i).

(1) The State will operate the broker program without regard to the requirements of the following paragraphs of section 1902(a);

- _____ (1) state-wideness (Please indicate the areas of State that are covered by the broker. If the State chooses to contract with more than one broker the State must provide a separate preprint for each broker)
- _____ (10)(B) comparability
- _____ (23) freedom of choice

(2) Transportation services provided will include:

- _____ wheelchair van
- _____ taxi
- _____ stretcher car
- _____ bus passes
- _____ tickets
- _____ secured transportation
- _____ other transportation (if checked describe below other types of transportation provided.)

(3) The State assures that transportation services will be provided under a contract with a broker who:

_____ (i) is selected through a competitive bidding process based on the State's evaluation of the broker's experience, performance, references, resources, qualifications, and costs:

_____ (ii) has oversight procedures to monitor beneficiary access and complaints and ensures that transportation is timely and transport personnel are licensed qualified, competent and courteous:

_____ (iii) is subject to regular auditing and oversight by the State in order to ensure the quality and timeliness of the transportation services provided and the adequacy of beneficiary access to medical care and services:

_____ (iv) complies with such requirements related to prohibitions on referrals and conflict of interest as the Secretary shall establish (based on prohibitions on physician referrals under Section 1877 and such other prohibitions and requirements as the Secretary determines to be appropriate.)

(4) The broker contract will provide transportation to the following categorically needy mandatory populations:

- _____ Low-income families with children (section 1931)
- _____ Deemed AFCD-related eligibles
- _____ Poverty-level related pregnant women
- _____ Poverty-level infants
- _____ Poverty-level children 1 through 5
- _____ Poverty-level children 6 – 18

- _____ Qualified pregnant women AFDC – related
- _____ Qualified children AFDC – related
- _____ IV-E foster care and adoption assistance children
- _____ TMA recipients (due to employment) (section 1925)
- _____ TMA recipients (due to child support)
- _____ SSI recipients
- _____ Individuals eligible under 1902(a)(10)(A)(i)- new eligibility group VIII (very-low income adults who are not otherwise eligible under any other mandatory eligibility group) – Becomes effective January 1, 2014, but states can elect to cover now as an early option.

(5) The broker contract will provide transportation to the following categorically needy optional populations:

- _____ Optional poverty-level - related pregnant women
- _____ Optional poverty-level - related infants
- _____ Optional targeted low income children
- _____ Non IV-E children who are under State adoption assistance agreements
- _____ Non IV-E independent foster care adolescents who were in foster care on their 18th birthday
- _____ Individuals who meet income and resource requirements of AFDC or SSI
- _____ Individuals who would meet the income & resource requirements of AFDC if child care costs were paid from earnings rather than by a State agency
- _____ Individuals who would be eligible for AFDC if State plan had been as broad as allowed under Federal law
- _____ Children aged 15-20 who meet AFDC income and resource requirements
- _____ Individuals who would be eligible for AFDC or SSI if they were not in a medical institution
- _____ Individuals infected with TB
- _____ Individuals screened for breast or cervical cancer by CDC program
- _____ Individuals receiving COBRA continuation benefits
- _____ Individuals in special income level group, in a medical institution for at least 30 consecutive days, with gross income not exceeding 300% of SSI income standard
- _____ Individuals receiving home and community based waiver services who would only be eligible under State plan if in a medical institution (please note that the broker may only provide transportation to and from 1905 (a) services)
- _____ Individuals terminally ill if in a medical institution and will receive hospice care
- _____ Individuals aged or disabled with income not above 100% FPL
- _____ Individuals receiving only an optional State supplement in a 209(b) State

- _____ Individuals working disabled who buy into Medicaid (BBA working disabled group)
- _____ Employed medically improved individuals who buy into Medicaid WWIA Medical Improvement Group
- _____ Individuals disabled age 18 or younger who would require an institutional level of care (TEFRA 134 kids).

(6) Payment Methodology

- (A) Please describe the methodology used by the State to pay the broker:

- (B) Please describe how the transportation provider will be paid:

- (C) What is the source of the non-Federal share of the transportation payments?
Describe below the source of the non-Federal share of the transportation payments proposed under the State plan amendment. If more than one source exists to fund the non-Federal share of the transportation payment, please separately identify each source of non-Federal share funding.

- (D) The State assures that no agreement (contractual or otherwise) exists between the State or any form of local government and the transportation broker to return or redirect any of the Medicaid payment to the State or form of local government (directly or indirectly). This assurance is not intended to interfere with the ability of a transportation broker to contract for transportation services at a lesser rate and credit any savings to the program.

- (E) The State assures that payments proposed under this State plan amendment will be made directly to transportation providers and that the transportation provider payments are fully retained by the transportation providers and no agreement (contractual or otherwise) exists between the State or local government and the transportation provider to return or redirect any of the Medicaid payment to the State or form of local government (directly or indirectly).

- (F) The State has included Federal Medicaid matching funds as State match when drawing down FTA SAFETEA-LU grants.

(7) The broker is a non-governmental entity:

- _____ The broker is not itself a provider of transportation nor does it refer to or subcontract with any entity with which it has a prohibited financial relationship as described at 42 CFR 440.170(4)(ii).

- The broker is itself a provider of transportation or subcontracts with or refers to an entity with which it has a prohibited financial relationship and:
 - Transportation is provided in a rural area as defined at 42 CFR 412.62(f) and there is no other available Medicaid participating provider or other provider determined by the State to be qualified except the non-governmental broker.

Transportation is so specialized that there is no other available Medicaid participating provider or other provider determined by the State to be qualified except the non-governmental broker

The availability of other non-governmental Medicaid participating providers or other Providers determined by the State to be qualified is insufficient to meet the need for transportation.

- (8) The broker is a governmental entity and provides transportation itself or refers to or subcontracts with another governmental entity for transportation. The governmental broker will:

- (9) Please provide a complete description of how the NEMT brokerage program operates. Include all services provided by the broker (call center, over-sight of providers, etc.). If applicable, describe any transportation services that will not be provided by the broker and how these services will be provided

Limitation of Services

24. **Any Other Medical Care and any other type Remedial Care
Recognized under State law, specified by the Secretary.**

Effective Date: 12/01/2014

24.a. Transportation

- (1) Emergency ambulance services are provided eligible recipients between:
 - (a) Scene (address) of emergency to hospital.
 - (b) Nursing facility to hospital.
 - (c) Local hospital to specialized hospital. (Example: From Montgomery to University Hospital in Birmingham.)
- (2) Medically necessary non-emergency ambulance service is provided to eligible recipients who must be bed-confined or have debilitating physical condition(s) that require travel by stretcher only and require ground transportation to receive medical services.
- (3) Non-emergency ambulance services provided eligible recipients outside of local area over 100 miles one way, must be prior authorized by the Alabama Medicaid Agency.
- (4) Certification that medical condition warrants the use of ambulance service is required by the attending physician or facility nurse for both emergency and non-emergency use.
- (5) Non-Emergency Medical Transportation for clients receiving allowable mental health services at Community Mental Health Centers are provided through contract with the Alabama Department of Mental Health (DMH).

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE OF ALABAMA
METHODS OF PROVIDING TRANSPORTATION

Effective Date: 02/01/09

The Alabama Medicaid Agency assures that necessary transportation of recipients to and from sources of medical care will be provided as follows:

- I. Non-emergency Transportation Services - Ambulance:
- A. All non-emergency ambulance services rendered to eligible Alabama Medicaid recipients for trips over 100 miles one way, where medical care is received requires prior authorization. Certification that medical conditions warrant the use of ambulance services are required by the attending physician.
 - B. Non-emergency ambulance service is provided to eligible recipients who must be bed-confined or have debilitating physical condition(s) that require travel by stretcher only and require ground transportation to receive medical services.

Effective Date : 12/01/14

II. Non-emergency Transportation Services:

Any appropriate means of transportation which can be obtained without charge through volunteer groups, nonprofit organizations, public services, relatives or other persons is the preferred method of transportation. If transportation is not available without charge, the Alabama Medicaid Agency will make reimbursement for non-emergency transportation, with the exception of ambulance transports, directly to the recipient through an Electronic Benefit Transfer (EBT) system. The state will have on file the rates charged by the major transporters across the state. When a recipient requests assistance, the reimbursements will be issued based on the most cost-effective rate for the appropriate mode of transportation, considering the rates for the particular area and the options available to the requesting recipient.

The NEMT Program provides necessary non-ambulance transportation services to Medicaid recipients. Medicaid pays for rides to a doctor or clinic for medical care or treatment that is covered by Medicaid. The types of transportation being provided are: a) automobile (volunteer driver); b) friends; c) Medicaid recipient's/relative's vehicle; d) wheelchair van services; e) bus (commercial or city transit); f) airplane; and g) train service. Medicaid will not reimburse services if recipient has access to free transportation, except in the case of evident hardship.

NEMT – Call Center and NEMT staff are responsible for screening beneficiaries for eligibility for a ride.

Escorts are covered if their presence is required to assist a recipient during transport while at the place of treatment. Only one escort is covered per recipient in need and the recipient must prove an identifiable need for the escort. The escort cannot be an employee of a NEMT transporter. Medicaid allows escorts for recipients under the age of 21. Escort services are utilized in-state or out of state for recipients over 21 years of age when a physician's statement documents that an escort is required because the recipient is blind, deaf, intellectually disabled or mentally ill or physically handicapped to such a degree personal assistance is necessary.

The recipient or his/her representative arranges the ride by calling the Medicaid toll free number in advance of the need for the ride. Rides can also be arranged through a facility social worker.

A maximum of one round trip may be reimbursed per date of service per recipient, without prior authorized exception. The most inexpensive mode of transportation that meets the recipient's needs must be used. The recipient must be traveling to a Medicaid covered service with a Medicaid provider. Recipients must contact the Agency to request transportation assistance five days prior to the needed transportation or within 24 hours after urgent care appointments. Medicaid does not pay for ride to the emergency room for a problem that can wait until the doctor's office or clinic is open.

For out-of-state transportation, the recipient's physician must provide a statement that justifies the need for out-of-state services and assure that such services cannot be obtained in-state. The NEMT Coordinator requests this information from the recipient's physician. The Coordinator then provides this information to their supervisor who submits it for review to Alabama Medicaid's Medical Review Team who will approve or deny the need for out of state transportation. For long distance travel, the recipient's physician must certify that the treatment is not available locally and the location of the closest available treatment. When overnight travel is necessary, Medicaid pays for meals and lodging for the recipient and one escort (when authorized). Medicaid must receive receipts or confirmation of expenses before reimbursement can be made. Reimbursement will not exceed \$50 per person, per day. NEMT reimbursements will be issued for transportation costs to and from covered necessary medical services for which the recipient has benefits available.

The NEMT system verifies eligibility, appointments, mode of transportation, calculates and issues reimbursements for the trip. NEMT reimburses ambulatory and wheelchair transportation. The least costly mode of transportation appropriate to the needs of the recipient must be used. A tiered fee payment structure is utilized based upon factors such as: mileage; clients physical, mental or medical condition; whether the beneficiary is ambulatory or recumbent; prevailing rates in the region; availability of transportation resources; level of appropriate transportation required; and whether they are transported by a family member, commercial carrier, or ambulance provider. Internal audits are performed by NEMT Staff.

NEMT is provided under the administrative option and is matched at 50%.

- III. Non-emergency Transportation Services – Other:
Non-Emergency Medical Transportation for clients receiving allowable mental health services at Community Mental Health Centers are provided through contract with the Alabama Department of Mental Health (DMH).

Medicaid reimburses DMH as stated in Attachment 4.19-B, Page 14.a, Section 27.

IV. Emergency Transportation Services - Ambulance:

All emergency ambulance transportation must be medically necessary and reasonable. No payment may be made for emergency ambulance services if some other means of transportation could be utilized without endangering the recipient's health.

A. Emergency ambulance services are provided to eligible recipients between:

- (1) Scene or address of emergency and hospital.
- (2) Nursing home and hospital.
- (3) Local hospital and specialized hospital.

Example: From Montgomery to University of Alabama Hospital in Birmingham.

B. Certification that medical conditions warrant the use of ambulance services are required by the attending physician.

V. Air Transportation Services:

A. Air Transportation services are covered for adults and children.

B. Air transportation may be rendered only when basic and advanced life support land ambulance services are not appropriate.

C. All air transportation services must be approved by Alabama Medicaid prior to payment.