



Office of the State Auditor

Kerri L. Hunter, CPA, CFE
State Auditor

October 15, 2022

Status Report – Medicaid Non-Emergent Medical Transportation

Members of the Legislative Audit Committee:

Attached is the status report from the Department of Health Care Policy and Financing (Department) on its implementation of recommendations from the Office of the State Auditor's September 2021 *Medicaid Non-Emergent Medical Transportation (NEMT) Performance Audit*.

OSA Review of Documentation

As part of the status report process, we requested and received supporting documentation for each recommendation that the Department reported as having been implemented or partially implemented. For example, we reviewed:

- The Department's amended contract with its NEMT service broker IntelliRide, the Department's corrective action plan for IntelliRide, and the performance improvement plan that IntelliRide uses for an underperforming provider.
- Department and IntelliRide reports and data on NEMT services and performance metrics, complaint tracking and follow-up, provider performance, and driver timeliness.
- IntelliRide's updated manual for NEMT providers.
- Data on IntelliRide's payments to NEMT providers.

Based on our review, the supporting documentation substantiates the Department's reported implementation statuses.



COLORADO
Department of Health Care
Policy & Financing

1570 Grant Street
Denver, CO 80203

Status Report Submission Cover Letter

September 12, 2022

Kerri L. Hunter, CPA
State Auditor
Colorado Office of the State Auditor
1525 Sherman St., 7th Floor
Denver, CO 80203

Dear Auditor Hunter:

In response to your request, we have prepared the attached status report on the implementation status of audit recommendations contained in the Medicaid *Non-Emergent Medical Transportation Performance Audit*. Our status report provides a brief explanation of the actions taken by the Department of Health Care Policy and Financing to implement each recommendation.

If you have any questions about this status report and the Colorado Department of Health Care Policy and Financing's efforts to implement the audit recommendations, please contact External Audits at ExternalAudits@state.co.us.

Sincerely,

A handwritten signature in black ink, appearing to read "K B".

Kim Bimestefer
Executive Director

Enclosure(s)

Audit Recommendation Status Report

Audit Name:	Medicaid Non-Emergent Medical Transportation Performance Audit
Audit Number:	2152P
Agency:	Department of Health Care Policy and Financing
Date of Status Report:	September 12, 2022

Section I: Summary				
Rec. Number	Response from Audit Report	Original Implementation Date	Current Implementation Status	Current Implementation Date
1A	Agree	December 2021	Implemented	December 2021
1B	Agree	December 2022	Partially Implemented	June 2023
1C	Agree	July 2022	Implemented	December 2021
1D	Agree	July 2022	Not Implemented	December 2022
1E	Agree	July 2022	Partially Implemented	March 2023
1F	Agree	July 2022	Partially Implemented	September 2022
1G	Agree	December 2022	Not Implemented	December 2022
1H	Agree	July 2022	Not Implemented	December 2022
2A	Agree	December 2021	Implemented	April 2022
2B	Agree	December 2021	Partially Implemented	December 2022
2C	Agree	December 2021	Implemented	December 2021
2D	Agree	December 2021	Implemented	December 2021
2E	Agree	December 2021	Implemented	December 2021
2F	Agree	July 2022	Partially Implemented	October 2022
2G	Agree	July 2022	Partially Implemented	October 2022
3A	Agree	December 2021	Implemented	December 2021
3B	Agree	April 2022	Partially Implemented	December 2022
4A	Agree	April 2022	Implemented	April 2022
4B	Agree	December 2021	Implemented	April 2022
4C	Agree	December 2021	Implemented	December 2021
4D	Agree	December 2021	Implemented	December 2021
4E	Agree	December 2021	Implemented	December 2021
4F	Agree	April 2022	Implemented	April 2022
5A	Agree	September 2021	Implemented	September 2021
5B	Agree	December 2021	Implemented	December 2021
5C	Agree	December 2021	Implemented	December 2021
5D	Agree	December 2021	Implemented	December 2021

Section I: Summary

Rec. Number	Response from Audit Report	Original Implementation Date	Current Implementation Status	Current Implementation Date
5E	Agree	December 2021	Implemented	December 2021
6	Agree	December 2021	Implemented	April 2022

Section II: Narrative Detail

Recommendation 1A

The Department of Health Care Policy and Financing (Department) should comply with federal and state requirements for administering the non-emergent medical transportation benefit (NEMT) and paying Medicaid claims by establishing and implementing: A. IT controls within the Colorado interchange system (interChange), and other controls as appropriate, to deny claims submitted by NEMT providers that bypass their assigned broker and submit claims directly to the Department.

Current Implementation Status	Implemented
Current Implementation Date	12/14/2021
Status Update Narrative	The Department updated those providers identified in IntelliRide's service area to Performer Only on December 14, 2021. As of this date these providers cannot bill the Department directly for services; they must go through IntelliRide. A provider communication was sent to these providers informing them of this change. The Department verified providers outside of IntelliRide's service area are appropriately set as Biller and Performer. These providers may bill the Department directly.

Recommendation 1B

The Department should comply with federal and state requirements for administering NEMT and paying Medicaid claims by establishing and implementing: B. A process to evaluate and revise, as necessary, taxi claim billing requirements and rates, and controls to ensure that taxi claims are paid in accordance with established requirements and rates and that providers are permitted to operate as a taxi.

Current Implementation Status	Partially Implemented
Current Implementation Date	6/30/2023
Status Update Narrative	The Department submitted a request for a system change to reduce the max fee for code A0100 (taxi) from \$1,000 to \$500. After research, the Department identified that the majority of NEMT providers were submitting claims for amounts well under \$1,000. Based on the claims reviewed, the Department revised the rate, lowering the maximum fee to \$500 in February 2022. NEMT providers are approved through Gainwell and must submit proof of insurance, permits, business licenses and other required documents to operate as a taxi. The Department verifies these providers before Gainwell gives final enrollment approval. The Department is establishing a process to review and revise the taxi rates. The rates are currently set by the Public Utilities Commission (PUC), the Department will be researching a process to have a set taxi rate rather than a range of rates.

Recommendation 1C

The Department should comply with federal and state requirements for administering NEMT and paying Medicaid claims by establishing and implementing: C. IT controls within interChange or, at a minimum, staff manual review of NEMT claims that require the Department's prior authorization, to ensure prior authorization occurs before the NEMT trip and before payment of any related claim.

Current Implementation Status	Implemented
Current Implementation Date	12/31/2021
Status Update Narrative	The Department implemented a manual review process with the Fiscal Agent for NEMT claims to ensure proper documentation showing authorization is in place before claims will be paid.

Recommendation 1D

The Department should comply with federal and state requirements for administering NEMT and paying Medicaid claims by establishing and implementing: D. Methods to monitor NEMT providers that are not served by the NEMT contracted broker, to ensure providers' paid claims are supported with appropriate documentation and represent the least costly option appropriate to meet each recipient's needs.

Current Implementation Status	Not Implemented
Current Implementation Date	12/31/2022
Status Update Narrative	The Department will develop rule language and a methodology and process for provider file audits. The Department is on track to have this implemented by 12/31/22.

Recommendation 1E

The Department should comply with federal and state requirements for administering NEMT and paying Medicaid claims by establishing and implementing: E. Contract monitoring to ensure the Department's NEMT contracted broker collects and maintains necessary documentation to support brokered services and claims. This should include ensuring that Department staff annually reconcile the contracted broker's trip scheduling data with provider documentation for a sample of paid claims to ensure they are accurate, for NEMT services, and represent the least costly option appropriate for each recipient.

Current Implementation Status	Partially Implemented
Current Implementation Date	3/31/2023
Status Update Narrative	A contract amendment was written to include an annual audit. The contract was signed by IntelliRide on 6/29/2022. The Department is in the process of acquiring a random sampling of claims and the key pieces of data to perform the annual audit to ensure IntelliRide is maintaining the necessary documentation and paying claims properly. The first audit is scheduled to be completed by 03/31/2023 and will continue on an annual basis.

Recommendation 1F

The Department should comply with federal and state requirements for administering NEMT and paying Medicaid claims by establishing and implementing: F. Methods to ensure that NEMT rides and paid claims are for recipients to access medical care, such as a process to reconcile interChange data on NEMT trip claims to interChange data on Medicaid medical claims, and/or a process to confirm recipients used NEMT to attend medical appointments.

Current Implementation Status	Partially Implemented
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Current Implementation Date	09/30/2022
Status Update Narrative	The Department is in the process of creating a methodology to sample and review claims, as well as new processes and timelines for those reviews. The Department is working with the data team to figure out the best way to pull and review the data. The Department is on track to have this implemented by 9/30/22.

Recommendation 1G

The Department should comply with federal and state requirements for administering NEMT and paying Medicaid claims by establishing and implementing: G. Processes to investigate and recover, as appropriate, the overpayments and inappropriate payments that the audit identified and resulted in known or likely questioned costs, and repay the federal portion, as appropriate.

Current Implementation Status	Not Implemented
Current Implementation Date	12/31/2022
Status Update Narrative	The Department's program integrity group is awaiting data from our claims vendor and IntelliRide to research the reasons for overpayments. Overpayments may have resulted from contractual issues, may have been caused by the client in some way, or may have been caused by the provider. Understanding the cause of the overpayments will help the Department with recovery, as appropriate, and with establishing processes for preventing future overpayments. The Department went through staffing changes that delayed this data request however, during that time the data was not requested. The Department is on track to complete the investigation and any required recovery by 12/31/22.

Recommendation 1H

The Department should comply with federal and state requirements for administering NEMT and paying Medicaid claims by establishing and implementing: H. A process to ensure that the Department has sufficient staff assigned to oversee and administer NEMT.

Current Implementation Status	Not Implemented
Current Implementation Date	12/31/2022
Status Update Narrative	The Department is working on its time tracking process and will have several months' worth of data to analyze. The Department is on track to implement this by 12/31/22 due to the volume of data needed to analyze. A new position is being created to help manage the NEMT benefit and assist existing staff. This position will be the liaison between the Department and the 55 counties in the non-broker area. Claims data will be analyzed to ensure providers and clients are being paid correctly and timely statewide. Time tracking will enable the Department to see how effective the broker model is (i.e., IntelliRide now brokers for 9 counties) versus the other 55 counties. The tracking will let the Department know how much time is spent working with, escalating, and resolving broker services and issues.

Recommendation 2A

The Department should improve its processes for monitoring NEMT service delivery and customer service brokered by its contractor and/or provided by NEMT providers by: A. Ensuring its contractor

provides the Department accurate monthly reporting for on-time trip performance and call center performance.	
Current Implementation Status	Implemented
Current Implementation Date	4/30/2022
Status Update Narrative	The Department receives monthly reports from IntelliRide on its on-time performance tracking and call center metrics. The Department reviews the monthly reports to ensure that the number of complaints or incidents correlates to what the Department receives. The Department hears from clients when a provider doesn't show or is late. The number of client complaints for this issue has gone down since the monthly reporting policy was instituted.

Recommendation 2B	
The Department should improve its processes for monitoring NEMT service delivery and customer service brokered by its contractor and/or provided by NEMT providers by: B. Requiring its contractor to document the reasons why providers pick up recipients more than 15 minutes before or after the scheduled pick-up time, such as when recipients request early pick-ups from their medical appointments.	
Current Implementation Status	Partially Implemented
Current Implementation Date	12/31/2022
Status Update Narrative	IntelliRide has communicated to drivers the proper timeframes for pickup and drop off. IntelliRide needs to work with its Ecolane system, which tracks ride requests and trip information, to explore the technical feasibility of a comment function which would allow drivers and clients to communicate. For example, the comment function allows a driver to let a client know they will be running early, late, or allows the client to let the driver know of any pertinent information before being picked up. This feature also acts as a record of any correspondence between the driver and client. Consequently, this recommendation will take longer to implement than originally anticipated. The implementation date is projected to be 12/31/2022.

Recommendation 2C	
The Department should improve its processes for monitoring NEMT service delivery and customer service brokered by its contractor and/or provided by NEMT providers by: C. Ensuring its contractor documents correct pick-up times for scheduled NEMT trips.	
Current Implementation Status	Implemented
Current Implementation Date	12/31/2021
Status Update Narrative	IntelliRide has communicated to providers that they are required to document correct pickup and drop off times. This metric is part of provider scorecards and improvement plans.

Recommendation 2D	
The Department should improve its processes for monitoring NEMT service delivery and customer service brokered by its contractor and/or provided by NEMT providers by: D. Ensuring its contractor identifies and corrects issues with NEMT providers' on-time performance, including when providers do not show up for scheduled trips.	
Current Implementation Status	Implemented

Current Implementation Date	12/31/2021
Status Update Narrative	IntelliRide is tracking timeliness and missed trips for each provider. They review the data monthly and use that data when deciding to reduce trips for poor performance. The Department is notified by county contact or member when an NEMT provider outside the broker service area is late or doesn't show up. NEMT staff contacts the provider to discuss the issue and removes the provider from service if necessary.

Recommendation 2E

The Department should improve its processes for monitoring NEMT service delivery and customer service brokered by its contractor and/or provided by NEMT providers by: E. Developing and implementing a process to follow-up with its contractor to correct issues resulting in a lapse in meeting performance metrics, and correcting issues with providers, as appropriate.

Current Implementation Status	Implemented
Current Implementation Date	12/31/2021
Status Update Narrative	The Department has been tracking contract metrics such as call center performance and the number of trips completed by public transit. When providers do not hit metrics, IntelliRide notifies the provider and puts them on a Performance Improvement Plan. The Department has placed IntelliRide on a Corrective Action Plan to hold the broker accountable and make necessary changes to improve service to Medicaid members.

Recommendation 2F

The Department should improve its processes for monitoring NEMT service delivery and customer service brokered by its contractor and/or provided by NEMT providers by: F. Developing and implementing a process to assess NEMT service delivery and customer service when services are not brokered by its contractor.

Current Implementation Status	Partially Implemented
Current Implementation Date	10/31/2022
Status Update Narrative	The current process is to email the Department NEMT email address with complaints and/or questions. The Department receives emails from county personnel, Medicaid members and NEMT or medical providers. The Department has a new position starting soon that will be the liaison between the Department and the counties for complaints, questions, and issues. The new position will communicate with county human resource case managers and community advocates that work closely with the counties. A meeting was held on 7/28/2022 to finalize the systems and process for this position. After the meeting, the hiring manager met with Human Resources (HR) to discuss the requirements and job description. HR hopes to have the position posted as soon as possible. This recommendation will take longer to implement than originally anticipated. The Department needs to fill that position and plans to have it complete by 10/31/2022.

Recommendation 2G

The Department should improve its processes for monitoring NEMT service delivery and customer service brokered by its contractor and/or provided by NEMT providers by: G. Developing and implementing a process to assess recipient satisfaction with providers that do and do not broker trips

through the NEMT contractor, including recipient satisfaction with providers' on-time performance and speed in answering calls.	
Current Implementation Status	Partially Implemented
Current Implementation Date	10/31/2022
Status Update Narrative	The Department is in the process of researching the most efficient and effective processes to obtain and assess member feedback for services provided by NEMT providers outside of IntelliRide's service area. As referenced in 2F, the current process is to email the Department NEMT email address. Medicaid members, NEMT providers, and case managers will email with questions, complaints or issues that they need assistance with and the NEMT staff will respond to help resolve these issues. The Department is working on a more streamlined process for the recipients outside the broker area. IntelliRide has created a survey for recipients that use the broker service (IntelliRide) to schedule NEMT. The Department is filling a position to act as the liaison for the other 55 counties outside the broker area. As referenced in 2F, the Department should have this position filled by 10/31/2022.

Recommendation 3A	
The Department should ensure NEMT providers are paid accurately for the services they provide to recipients by: A. Requiring its NEMT contractor to develop and implement effective processes and methods to pay providers accurately for their services, based on claims paid by the Department, and maintain accurate accounting records of payments to providers.	
Current Implementation Status	Implemented
Current Implementation Date	12/31/2021
Status Update Narrative	IntelliRide now bills the Department for trips and passes the full payment amount on to the providers (in contrast with the old practice of paying providers and then billing the Department). The Department investigates and helps reconcile differences when providers report underpayments. Finally, IntelliRide continues to offer trainings on how to use their provider portal.

Recommendation 3B	
The Department should ensure NEMT providers are paid accurately for the services they provide to recipients by: B. Investigating each instance identified by the audit where the Department's NEMT contractor did not pay a provider accurately or did not have accurate accounting records, and requiring the contractor to pay each provider the accurate amounts they are owed and correct accounting records, as appropriate.	
Current Implementation Status	Partially Implemented
Current Implementation Date	12/31/2022
Status Update Narrative	The Department has researched claims data to find the providers that were not paid correctly and sent it to IntelliRide. IntelliRide is confirming what was identified as underpaid or not paid and issuing payment to those providers. IntelliRide is currently investigating, this should be complete by 12/30/2022.

Recommendation 4A	
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The Department should ensure its NEMT contractor complies with federal and contract requirements for monitoring, managing, resolving, and reporting recipient complaints about services by: A. Requiring the contractor to track and report the resolution of all complaints, including those that were still pending as of the date of the previous complaint report.

Current Implementation Status	Implemented
Current Implementation Date	4/30/2022
Status Update Narrative	<p>IntelliRide has shifted additional staff to complaint monitoring and response. IntelliRide has dedicated staff to work solely on the complaints that are reported and to resolve any complaints and/or issues. IntelliRide reports incidents to the Department as they are reported to IntelliRide. The Department follows up on these incidents with IntelliRide to get further information. IntelliRide reports back to the Department once the investigation is complete and notifies the Department of any action taken, if needed.</p>

Recommendation 4B

The Department should ensure its NEMT contractor complies with federal and contract requirements for monitoring, managing, resolving, and reporting recipient complaints about services by: B. Developing and implementing a process to review monthly complaint reports for completeness and accuracy, and to follow up with the contractor when reports are missing required information and/or inaccurate.

Current Implementation Status	Implemented
Current Implementation Date	4/30/2022
Status Update Narrative	<p>Department NEMT staff review monthly complaint reports. The Department follows up if needed with IntelliRide to verify the issue was resolved. (There have been no incomplete complaint reports between the Department and IntelliRide to date.)</p>

Recommendation 4C

The Department should ensure its NEMT contractor complies with federal and contract requirements for monitoring, managing, resolving, and reporting recipient complaints about services by: C. Requiring the contractor to develop action plans to address complaints in a manner that prevents reoccurrence, and report the results of action plans to demonstrate resolutions are completed and appropriate.

Current Implementation Status	Implemented
Current Implementation Date	12/31/2021
Status Update Narrative	<p>IntelliRide has created Performance Improvement Plans for underperforming providers. The Department is working on improving provider data passed from IntelliRide to the Department.</p>

Recommendation 4D

The Department should ensure its NEMT contractor complies with federal and contract requirements for monitoring, managing, resolving, and reporting recipient complaints about services by: D. Requiring the contractor to track and report the dates of complaint acknowledgement, resolution, and recipient notification of the resolution.

Current Implementation Status	Implemented
Current Implementation Date	12/31/2021

Status Update Narrative	IntelliRide has increased the number of staff handling complaints and tracks complaint receipt, resolution, and member notification (when requested). IntelliRide sends the Department complaint or incident reports as they are reported to IntelliRide, by either the driver or client. The Department follows up with IntelliRide to verify the information. IntelliRide will try to reach out to the non-reporting party involved to get their side of the story. IntelliRide sends all accounts of the complaint/ incident to NEMT staff. Once it is resolved, IntelliRide lets the Department know and what action was taken, if needed. Department NEMT staff follow up with IntelliRide, as needed.
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Recommendation 4E

The Department should ensure its NEMT contractor complies with federal and contract requirements for monitoring, managing, resolving, and reporting recipient complaints about services by: E. Developing and implementing procedures to monitor whether the contractor meets required timeframes for complaint acknowledgment, resolution, and recipient notification, and to take remedial action for noncompliance when appropriate.

Current Implementation Status	Implemented
Current Implementation Date	12/31/2021
Status Update Narrative	IntelliRide's reports now contain information on complaint acknowledgment, resolution, and notification. Department NEMT staff follow up on unresolved complaints, if needed. IntelliRide has ten (10) days from the date of the reported complaint to investigate and resolve. IntelliRide emails the Department the report when it is reported to them. IntelliRide gathers all sides of the complaint and sends it to the Department. IntelliRide has been resolving issues within the ten (10) day period.

Recommendation 4F

The Department should ensure its NEMT contractor complies with federal and contract requirements for monitoring, managing, resolving, and reporting recipient complaints about services by: F. Requiring the contractor to develop and use meaningful complaint categories that accurately and consistently reflect the nature of complaints.

Current Implementation Status	Implemented
Current Implementation Date	4/30/2022
Status Update Narrative	The Department has required that the contractor come up with a defined set of meaningful complaint categories that are subject to Department approval. These categories are based, in part, on a review of previous complaints. The categories will be expanded or otherwise revised, as needed, depending on complaints received.

Recommendation 5A

The Department should ensure its NEMT contractor complies with contract requirements for managing, resolving, and reporting incidents by developing and implementing procedures to: A. Ensure Department staff use the Department's contract monitoring toolkit to monitor the performance of the NEMT contractor.

Current Implementation Status	Implemented
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Current Implementation Date	9/30/2021
Status Update Narrative	Department NEMT staff have read and employ tips from the Contract Management Toolkit.

Recommendation 5B

The Department should ensure its NEMT contractor complies with contract requirements for managing, resolving, and reporting incidents by developing and implementing procedures to: B. Review recipient complaints to ensure the contractor identifies and submits initial and final incident reports for complaints involving risks to recipients' health and safety.

Current Implementation Status	Implemented
Current Implementation Date	12/31/2021
Status Update Narrative	Department NEMT staff review incident reports and follow up on potential incidents, as needed. IntelliRide has ten (10) days from the date of the reported incident to investigate and resolve. IntelliRide emails the Department the report when it is reported to them. IntelliRide gathers all sides of the incident that occurred and sends it to the Department. IntelliRide has been resolving the issues within the ten (10) day period

Recommendation 5C

The Department should ensure its NEMT contractor complies with contract requirements for managing, resolving, and reporting incidents by developing and implementing procedures to: C. Track the providers involved in incident reports and the actions taken by the contractor to resolve the incidents to ensure the contractor's resolution plans are effective in preventing reoccurrence.

Current Implementation Status	Implemented
Current Implementation Date	12/31/2021
Status Update Narrative	IntelliRide tracks providers involved in incidents as part of its provider scorecard process, as well as the actions it takes to prevent recurrence (e.g., additional training). IntelliRide's corporate team review incident data and require NEMT provider retraining, as needed.

Recommendation 5D

The Department should ensure its NEMT contractor complies with contract requirements for managing, resolving, and reporting incidents by developing and implementing procedures to: D. Follow up with the contractor at least monthly to ensure it has provided the Department with all initial and final incident reports that may not have been reported as a complaint.

Current Implementation Status	Implemented
Current Implementation Date	12/31/2021
Status Update Narrative	Department NEMT staff frequently follow up with IntelliRide to ensure that the Department has all incident reports each month.

Recommendation 5E

The Department should ensure its NEMT contractor complies with contract requirements for managing, resolving, and reporting incidents by developing and implementing procedures to: E. Review and monitor each incident report provided by the contractor to ensure the contractor submits timely and complete initial and final incidents reports.

Current Implementation Status	Implemented
Current Implementation Date	12/31/2021
Status Update Narrative	IntelliRide submits the incident report as soon as they receive the complaint along with any action taken at that time. Each report has a time and date stamp included. The reports are emailed to NEMT staff so that

	the dates can be monitored for timeliness. Department NEMT staff follow up with IntelliRide for additional information, as needed, and require final reports when an incident has been fully investigated.
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Recommendation 6	
The Department should comply with statute to report potential mistreatment of at-risk adults to law enforcement and/or Adult Protective Services (APS) by establishing and implementing procedures to identify non-emergent medical transportation complaints and incidents that involve potential mistreatment of a recipient who may be considered an at-risk adult, and to report such potential mistreatment to law enforcement and APS, as appropriate.	
Current Implementation Status	Implemented
Current Implementation Date	4/30/2022
Status Update Narrative	Department NEMT staff have familiarized themselves with mandatory reporting statutes. Department NEMT staff have also worked with IntelliRide to gather additional information on potential mistreatment, as necessary. Department staff will report potential mistreatment to APS and/or law enforcement when necessary. (There have been no reportable incidents to date.)