

New Jersey's Medical Transportation Broker Service Project

Transportation plays a critical role in ensuring that eligible beneficiaries have access to medical appointments. The location of providers and their practice sites may include but are not limited to; practitioner offices, hospital outpatient departments, independent clinics, dialysis facilities, ambulatory surgery centers and federally qualified health centers. The transportation services are of particular importance to disabled beneficiaries needing critical services such as dialysis, rehabilitation, physical therapy, chemotherapy and to children attending behavioral health programs. Additional services include transportation for certain institutionalized beneficiaries, including nursing facility residents requiring transport to medical appointments.

In New Jersey's fiscal year 2007, the Department of Human Services, Division of Medical Assistance and Health Services (DMAHS) spent approximately \$92M annually for livery services for all eligible beneficiaries either directly or through the County Board. A portion of the \$92M was allocated for the nearly 25,000 beneficiaries who reside in nursing facilities and who may, from time to time, require transportation to and from medical appointments.

The Division of Purchase and Property, along with the Department of Human Services determined that the State could save a significant amount of money in a time of extreme budget austerity – on a magnitude of \$10M or more per year – by engaging the services of a single transportation broker. The transportation broker would operate a network of transportation providers for Medicaid recipients. The current transportation providers being utilized under a non-contractual basis, (which required recipients to contact their own Medicaid-approved transportation provider and then submit for reimbursement) would very possibly remain a provider of transportation, but would be handled under the auspices of the management of the transportation broker.

The concept of having a transportation broker handle all transportation requests, not only was viewed as an actual reduction of the transportation costs, but also as means to weed out any nefarious or unapproved requests for transportation using possibly more expensive transportation means.

Consequently, an RFP was issued and awarded in 2010.