

May 18, 2017

The Honorable Greg Walden
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

The Honorable Frank Pallone
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Walden and Ranking Member Pallone:

The undersigned organizations, to protect access to Medicaid services, strongly urge the Committee to reject H.R. 1394. H.R. 1394 would repeal the 50-year-old assurance of non-emergency medical transportation (NEMT) for Medicaid patients, including the aged, blind, persons with disabilities and children entitled to the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit. The requirement to provide NEMT services was established based on the premise that Medicaid insurance would be ineffective if patients were unable to get to and from their necessary healthcare appointments. That premise has not changed.

To put NEMT in perspective, the benefit is utilized by roughly 10% of Medicaid enrollees and accounts for only 1 percent of total Medicaid spending. NEMT is reserved for the most vulnerable members who have no other means of transportation to and from their medical appointments. State programs maintain checks and balances to eliminate abuse of the program while ensuring the benefit is accessible to only those in need.

Medicaid patients with the highest burden of chronic disease, including those diagnosed with cancer, mental health and substance abuse disorders, HIV and end-stage renal disease account for over half of transportation utilization and face the greatest transportation barriers to receiving healthcare. In calendar year 2012, the Medicaid and CHIP Payment and Access Commission (MACPAC) estimated there were 1.8 million NEMT users in Medicaid fee-for-service, 21% of which were children. Without NEMT, patients will be unable to access critical treatment, resulting in increased Medicaid expenditures for more expensive services such as catastrophic hospitalization or institutionalization.

A study for the Transportation Research Board (TRB) of the National Academies found that if access to NEMT services saved only 1 hospitalization in 100 trips, the return on investment (ROI) would be 10 to 1. A similar study conducted by Florida State University found NEMT's ROI factor to be 11 to 1. Citing both studies, The Stephen Group (TSG) recommended that Arkansas not pursue elimination of NEMT for a portion of the State's non-medically frail Medicaid population. The Republican Governor of Arkansas found these findings to be valid and elected to forego a request to waive NEMT as a result.

Several States have requested, and two States have received, authority under a section 1115 waiver to eliminate transportation benefits for most of their State's Medicaid expansion population. States with this waiver authority, granted by the Obama administration, still must provide an exemption for "medically frail" individuals but would not be required to do so if

H.R. 1394 becomes law. State evaluations of NEMT waivers have demonstrated that chronically ill, low-income and minority populations maintain the highest unmet need for care when they lack a transportation benefit. Fortunately for expansion members in these States, some managed care organizations choose to offer NEMT even when the State does not reimburse them for the cost. The willingness of these health plans to provide NEMT services without reimbursement is representative of the value transportation to healthcare provides for members. These plans have concluded that NEMT is a benefit that lowers healthcare costs and have taken it upon themselves to fill the void left by the State.

However, it is not enough to rely on plans to offer transportation. Allowing States to waive the assurance of transportation will increase Medicaid expenditures for ambulance services and avoidable hospitalizations for manageable chronic conditions while-reducing overall access to healthcare. As described in a 1974 District Court opinion affirming transportation assurance -“...[U]ntreated, the minor medical problem becomes the major medical problem and...the individual...becomes...sick enough to qualify as an emergency case to be transported by ambulance and to be admitted as a hospital in-patient. It is the worst kind of false economy.”

We urge you to maintain the requirement for States to offer transportation to all Medicaid patients that have no other means to access health services. If given the option, States will forgo access to this life sustaining benefit in exchange for short-term cost savings that will be detrimental to the health outcomes of our most vulnerable population.

Thank you for considering our comments. If you have any questions or need any further information, please contact Michael Massiwer (mmassiwer@mjsimonandcompany.com; 202-204-4707), Government Affairs Manager at Simon&Co.

Sincerely,

Alliance for Retired Americans
American Academy of Addiction Psychiatry
American Ambulance Association
American Association on Health and Disability
American Foundation for the Blind
American Group Psychotherapy Association
American Kidney Fund
American Nephrology Nurses' Association
American Psychiatric Association
American Public Transportation Association
American Society of Nephrology
Arizona Medical Transportation Association
The Arc of the United States
Association for Ambulatory Behavioral Healthcare
Association of University Centers on Disabilities
The Bazelon Center for Mental Health Law
Campaign for Trauma Informed Policy and Practice
Centers for Dialysis Care

Child and Family Policy Center
Children's Health Fund
Children's Mental Health Network
Community Access National Network
The Community Transportation Association of America
Dialysis Patient Citizens
Families USA
First Focus Campaign for Children
Global Alliance for Behavioral Health and Social Justice
Health Outreach Partners
Lakeshore Foundation
Medicare Rights Center
Medical Transportation Access Coalition
National Alliance on Mental Illness
National Association of Area Agencies on Aging
National Association for Children's Behavioral Health
National Association of Social Workers
National Association of Nutrition and Aging Services Programs
National Council on Aging
National Council for Behavioral Health
National Disability Rights Network
National Federation of Families for Children's Mental Health
National Health Care for the Homeless Council
National Kidney Foundation
National Renal Administrators Association
Prevent Blindness
Protecting Arizona's Family Coalition
Schizophrenia and Related Disorders Alliance of America
Service Employees International Union
Society for the Blind
United Cerebral Palsy

cc: The Honorable Michael C. Burgess, MD
Chairman, Subcommittee on Health

Members of the House Energy and Commerce Committee