

## Fact Sheet: Medi-Cal Coverage of Transportation Services

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### Introduction

Federal Medicaid law requires state Medicaid programs to ensure that beneficiaries have sufficient transportation to access medical care.<sup>2</sup> Transportation plays an important role in facilitating access to care—the federal Medicaid agency has long emphasized that “unless needy individuals can actually get to and from providers of services, the entire goal of a State Medicaid program is inhibited from the start.”<sup>3</sup>

In California, to ensure that Medi-Cal beneficiaries can access covered Medi-Cal services, the state provides for three different types of transportation. The first two, Emergency Medical Transportation and Non-Emergency Medical Transportation (NEMT), have long been recognized as Medi-Cal benefits. The third, Nonmedical Transportation (NMT), has been covered for children under age 21 pursuant to Medicaid’s Early Periodic Screening Diagnostic and Treatment (EPSDT) requirement, and for dually eligible seniors and persons with disabilities enrolled in Cal MediConnect plans, but overall, has been available on a fragmented basis.<sup>4</sup> A new state law, effective July 1, 2017, clarifies that NMT is a covered Medi-Cal benefit for all beneficiaries.<sup>5</sup> The type of transportation Medi-Cal will cover depends on the situation (emergency or non-

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<sup>2</sup> 42 C.F.R. § 431.53.

<sup>3</sup> *Daniels v. Tennessee Dep’t of Health & Env’t*, No. 79-3107, 1985 WL 56553, at \*2 (M.D. Tenn. Feb. 20, 1985) (citing the Medicaid Assistance Manual § 6-20-00, at 2 (May 30, 1978)).

<sup>4</sup> CAL. WELF. & INST. CODE § 14132.47(l).

<sup>5</sup> *Id.* § 14132(ad); Assemb. B. 2394, 2015–2016 Reg. Sess., (Ca. 2016).; CAL. DEP’T HEALTH CARE SERVS., APL 17-010 (REVISED): Non-Emergency Medical and Non-Medical Transportation (July 1, 2017) [hereinafter APL 17-010],

<http://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2017/APL17-010.pdf>.

emergency) and the type of vehicle required based on the individual's medical and physical condition.

California delivers Medi-Cal through a managed care and fee-for-service model. Approximately 80 percent of Medi-Cal beneficiaries obtain their services through managed care plans (MCPs).<sup>6</sup> California's Department of Health Care Services (DHCS) contracts with managed care plans to provide covered Medi-Cal services utilizing a capitated payment (per member-per month) system. Enrollees are generally required to obtain services from the providers in their plans' networks.<sup>7</sup> A small portion Medi-Cal beneficiaries access services on a fee-for-service (FFS) basis. FFS beneficiaries can see any provider who accepts Medi-Cal patients, and the providers bill DHCS directly.<sup>8</sup> Both Medi-Cal FFS and managed care enrollees are entitled to the three types of transportation mentioned above if they meet the criteria and it is medically necessary. The services provided, authorization requirements, and limitations will be discussed below.

## Emergency Medical Transportation

### *Services Provided*

Emergency medical transportation is provided in situations of medical emergency, typically by ambulance. California defines "emergency services" as "those services required for alleviation of severe pain, or immediate diagnosis and treatment of unforeseen medical conditions, which, if not immediately diagnosed and treated, would lead to disability or death."<sup>9</sup> Medi-Cal covers the lowest cost type of medical transportation that meets the individual's medical needs.<sup>10</sup> Emergency ground transportation (e.g. ambulance) is provided to the nearest hospital capable of meeting the recipient's needs.<sup>11</sup>

### *Authorization Requirements*

Prior authorization is not required for emergency medical transportation for obvious reasons, but there are certain Medi-Cal billing requirements, such as an emergency

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<sup>6</sup> MARGARET TATER ET AL., KAISER FAMILY FOUND., *MEDI-CAL MANAGED CARE: AN OVERVIEW AND KEY ISSUES* 3 (2013), <http://files.kff.org/attachment/issue-brief-medi-cal-managed-care-an-overview-and-key-issues>.

<sup>7</sup> *Id.*

<sup>8</sup> *Medi-Cal Utilization and Fee-For-Service (FFS) Expenditures*, CAL. DEP'T HEALTH CARE SERVS., [http://www.dhcs.ca.gov/dataandstats/statistics/Pages/Medi-Cal\\_Fee-for-Service\\_Expenditures.aspx](http://www.dhcs.ca.gov/dataandstats/statistics/Pages/Medi-Cal_Fee-for-Service_Expenditures.aspx).

<sup>9</sup> CAL. CODE REGS., tit. 22, § 51056(a).

<sup>10</sup> *Id.* § 51323(b).

<sup>11</sup> *Id.* § 51323(b)(1).

statement. Transportation providers are required to produce this statement for each reimbursement claim that they submit for emergency medical transportation.<sup>12</sup> The statement must include the nature of the emergency, the name of the hospital to which the enrollee was transported, and the name of the physician accepting responsibility for the enrollee.<sup>13</sup> A physician's signature is not required.<sup>14</sup>

### *Out-of-Network Emergency Transportation Providers*

Balance billing, the practice of charging the patient for the difference between what the patient's health insurance pays and what the provider charges, is prohibited for Medi-Cal beneficiaries.<sup>15</sup> Thus, emergency transportation providers cannot bill Medi-Cal beneficiaries directly for transportation costs, even if they do not contract with Medi-Cal or the enrollee's managed care plan. Similarly, Medi-Cal MCPs are required to cover and pay for emergency transportation services regardless of whether those providers are contracted with the MCPs.<sup>16</sup>

## **Non-Emergency Medical Transportation (NEMT)**

### *Services Provided*

Non-emergency medical transportation (NEMT) is transportation by ambulance, litter van, or wheelchair van to get to and from covered Medi-Cal services.<sup>17</sup> NEMT is provided only in situations when the enrollee cannot utilize ordinary means of public or private transportation, such as bus, passenger car, or taxicab due to their medical, mental health, or physical condition.<sup>18</sup> For example, NEMT is appropriate for enrollees who are not able to walk or otherwise get themselves from place to place and/or are unable to stand without assistance from a wheelchair, walker, or crutches. Once requests are approved, MCPs are required to authorize the lowest cost type of NEMT (ambulance, wheelchair van, litter van, or by air) that is adequate for the member's medical or mental health needs.<sup>19</sup>

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<sup>12</sup> *Id.*

<sup>13</sup> CAL. DEP'T HEALTH CARE SERVS., MEDI-CAL PROVIDER TRAINING 2018: MEDICAL TRANSPORTATION SERVICES 4 (2018) [hereinafter Medi-Cal Provider Training], [https://files.medi-cal.ca.gov/pubsdoco/outreach\\_education/workbooks/mc-trans\\_2018.pdf](https://files.medi-cal.ca.gov/pubsdoco/outreach_education/workbooks/mc-trans_2018.pdf).

<sup>14</sup> *Id.*

<sup>15</sup> CAL. WELF. & INST. CODE § 14019.4.

<sup>16</sup> 42 C.F.R. § 438.114.

<sup>17</sup> Medi-Cal Provider Training, *supra* note 13, at 6.

<sup>18</sup> *Id.* at 5.

<sup>19</sup> APL 17-010, *supra* note 5, at 2.

### *Authorization Requirements*

Unlike emergency transportation, NEMT services are subject to prior written authorization by a licensed practitioner, such as a physician, dentist, physician assistant, nurse practitioner, physical therapist, and mental health or substance use disorder provider.<sup>20</sup> The provider must submit a treatment authorization request (TAR) for the services that includes: (1) the purpose of the transportation, (2) the frequency of medical visits/trips or the inclusive dates of the requested transportation, and (3) the medical, mental health, or physical condition that makes normal public or private transportation inadvisable.<sup>21</sup> Prior authorization is not required, however, when an individual is transferred from an acute care hospital, immediately following an inpatient stay at the acute level of care, to a skilled nursing facility or intermediate care facility.<sup>22</sup>

### *Managed Care Plan (MCP) Regulations vs. FFS*

The authorization requirements for NEMT described above are no different between MCPs and FFS Medi-Cal.<sup>23</sup> However, there are differences in how enrollees access NEMT through an MCP versus FFS Medi-Cal. Medi-Cal MCP enrollees have providers submit requests directly to their plans, while FFS beneficiaries submit treatment authorization requests (TAR) to DHCS directly.<sup>24</sup>

## **Nonmedical Transportation (NMT)**

### *Services Provided*

Nonmedical transportation is round trip transportation for beneficiaries to access covered Medi-Cal services by private car, cab, bus, taxi, train, or other forms of public or private transportation.<sup>25</sup> NMT is available to travel to appointments or visits for medically necessary covered services; picking up drug prescriptions that cannot be mailed directly to the enrollee; picking up medical supplies like prosthetics, orthotics, and other equipment; or for visiting a sick child in the hospital.<sup>26</sup> It includes transportation costs for the Medi-Cal enrollee as well as one attendant, such as a parent, guardian, or spouse,

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<sup>20</sup> Medi-Cal Provider Training, *supra* note 13, at 5.

<sup>21</sup> *Id.* at 6; APL 17-062, Medi-Cal Managed Care Plan Non-Medical Transportation Policy, <http://www.dhcs.ca.gov/formsandpubs/Documents/MHSUDS%20Information%20Notices/MHSU%2017-062.pdf>.

<sup>22</sup> APL 17-010, *supra* note 5, at 2 (citing CAL. CODE REGS., tit. 22, § 51323(b)(2)(C)).

<sup>23</sup> Medi-Cal Provider Training, *supra* note 13, at 5.

<sup>24</sup> The addresses for submitting a TAR are: TAR Processing Center, 820 Stillwater Road, West Sacramento, CA 95605-1630 or TAR Processing Center, P.O. Box 13029, Sacramento, CA 95813-4029. *Id.*

<sup>25</sup> CAL. WELF. & INST. CODE § 14132(ad)(2)(A)(i).

<sup>26</sup> APL 17-010, *supra* note 5, at 6.

subject to prior authorization.<sup>27</sup> Enrollees using NMT can use a wheelchair but must be able to walk or otherwise get themselves from place to place without assistance from the driver.<sup>28</sup> The NMT requested must be the least costly method of transportation that meets the enrollee's needs.<sup>29</sup>

### *Authorization Requirements*

Enrollees using NMT services must attest that other available transportation resources have been reasonably exhausted.<sup>30</sup> This attestation typically occurs over the phone. Unlike for NEMT, a physician's authorization and/or signature is not required for NMT authorization.<sup>31</sup> While MCP enrollees attest to their plans, FFS enrollees must attest to DHCS. As stated below, the NMT process for FFS enrollees has not yet been clearly defined by DHCS.

### *Managed Care Plan (MCP) Regulations*

As of July 1, 2017, DHCS clarified that MCPs are required to provide NMT for MCP members to obtain covered Medi-Cal medical, dental, mental health, and substance use disorder services.<sup>32</sup> Further, effective October 1, 2017, plans must also provide NMT for Medi-Cal services that are not part of ("carved out from") the plan.<sup>33</sup> These include specialty mental health, substance use disorder, dental, and any other services delivered through another plan or the Medi-Cal FFS delivery system.<sup>34</sup>

Private vehicles can be used for NMT only if a member has exhausted all other reasonable options and personally attests (in person, electronically, or over the phone) to the MCP that other methods of transportation are not available.<sup>35</sup> The attestation may include any of the following: confirming that the member has no valid driver's license; has no working vehicle available; is unable to travel for medical or dental services alone; or has a physical, cognitive, mental, or developmental limitation.<sup>36</sup> To be reimbursed, the driver of the private vehicle must be compliant with all California driving requirements, which include a valid driver's license, valid vehicle registration, and valid

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<sup>27</sup> *Id.*

<sup>28</sup> *Id.* at 5.

<sup>29</sup> *Id.*

<sup>30</sup> CAL. WELF. & INST. CODE § 14132(ad)(2)(B).

<sup>31</sup> CAL. DEP'T HEALTH CARE SERVS., DHCS Transportation Workgroup Frequently Asked Questions (FAQs)[hereinafter FAQs], <http://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2017/APL17-010FAQ.pdf>.

<sup>32</sup> APL 17-010, *supra* note 5, at 1.

<sup>33</sup> *Id.* at 2.

<sup>34</sup> *Id.*

<sup>35</sup> *Id.* at 6.

<sup>36</sup> FAQs, *supra* note 31, at 4.

vehicle insurance.<sup>37</sup> For NMT reimbursement purposes, the beneficiary cannot be the driver of the private vehicle.<sup>38</sup>

For NMT provided through a private vehicle, MCPs are required to reimburse drivers for gas mileage based on the IRS standard mileage rate for medical transportation.<sup>39</sup> MCPs are also permitted to offer gas cards or other prepaid cards as gas mileage reimbursement.<sup>40</sup> However, it is important to note that reimbursement generally requires prior approval by MCPs, after a member has fulfilled the attestation requirement for NMT.<sup>41</sup>

Where enrollees need ongoing NMT services, MCPs may use prior authorization processes for approving NMT services and reauthorize services every 12 months when necessary.<sup>42</sup> This avoids duplicative paperwork and ensures consumers have expedient access to ongoing care.

MCPs are also responsible for processing grievances of NMT drivers filed by a member.<sup>43</sup> For example, grievances could include scenarios where a driver fails to provide timely transportation and causes the enrollee to be late for an appointment, or where a driver's manner is rude, discriminatory, or otherwise unsatisfactory.

### *Fee-for-Service Enrollees*

Beneficiaries in FFS Medi-Cal must access NMT directly from the California Department of Health Care Services (DHCS). DHCS had until July 1, 2018 to issue guidance on how an enrollee in Medi-Cal FFS would access NMT.<sup>44</sup> DHCS recently announced that effective June 15, 2018, transportation providers who are currently enrolled in Medi-Cal as NEMT providers can request to become NMT providers and that transportation providers can newly enroll in Medi-Cal for NMT.<sup>45</sup> Additional guidance on how individuals can access NMT through these NMT providers is still expected.

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<sup>37</sup> APL 17-010, *supra* note 5, at 7.

<sup>38</sup> FAQs, *supra* note 31, at 4.

<sup>39</sup> APL 17-010, *supra* note 5, at 7.

<sup>40</sup> FAQs, *supra* note 31, at 8.

<sup>41</sup> CAL. WELF. & INST. CODE § 14132(ad)(2)(B).

<sup>42</sup> APL 17-010, *supra* note 5, at 6.

<sup>43</sup> FAQs, *supra* note 31, at 5.

<sup>44</sup> CAL. WELF. & INST. CODE § 14132(ad)(8) (2017).

<sup>45</sup> CAL. DEP'T HEALTH CARE SERVS., Medi-Cal Benefit Added: Nonmedical Transportation (June 4, 2018), <http://www.medi-cal.ca.gov/default.asp> (follow "Medi-Cal Benefit Added: Nonmedical Transportation" hyperlink under "NewsFlash").

## NMT and NEMT: Other Managed Care Plan Regulations

DHCS monitors MCPs to ensure that NMT and NEMT services are provided in a manner so that their members receive medically necessary services that comply with the timely access standards.<sup>46</sup> Plans are required to provide transportation regardless of time of day or day of the week, with the exception that the transportation must fall within the hours of operation of the medically necessary service.<sup>47</sup> There are no mileage restrictions for transportation to medically necessary services, but MCPs can impose utilization management controls like prior authorization.<sup>48</sup>

For out-of-network providers, MCPs must fulfill the request if the member has been referred to or approved to see that out-of-network provider, but does not have to reimburse for non-referred or non-approved out-of-network providers.<sup>49</sup>

MCPs can arrange to transport multiple members in the same vehicle. MCPs do have the flexibility to implement their own policies regarding transporting multiple riders as long as it does not jeopardize or create an unreasonable burden to each member's safety or privacy.<sup>50</sup>

Unless otherwise provided by law, MCPs must provide transportation for a parent or guardian when the member is a minor.<sup>51</sup> Unaccompanied minors can also use NMT or NEMT with their parent or guardian's written consent.<sup>52</sup>

In some cases, state or federal laws do not require parental consent for the minor's medical services, such as for accessing reproductive health services.<sup>53</sup> For those services, California also has a Minor Consent Medi-Cal program that explicitly allows providers to render services to minors without parental consent if the services are related to sexual assault, pregnancy and pregnancy-related services, family planning, sexually transmitted diseases, drug and alcohol abuse treatment and counseling, and outpatient mental health treatment and counseling.<sup>54</sup> In cases where the minor may consent on their own to services, MCPs must provide transportation services for minors without parental consent.<sup>55</sup>

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<sup>46</sup> FAQs, *supra* note 31, at 1.

<sup>47</sup> *Id.*

<sup>48</sup> *Id.*

<sup>49</sup> *Id.* at 2.

<sup>50</sup> *Id.* at 1.

<sup>51</sup> APL 17-010, *supra* note 5, at 2.

<sup>52</sup> *Id.* at 3.

<sup>53</sup> See, e.g., CAL. FAM. CODE § 6925–6929.

<sup>54</sup> CAL. CODE REGS., tit. 22, § 51473.2; see CAL. FAM. CODE §§ 6924–6929.

<sup>55</sup> APL 17-010, *supra* note 5, at 2, 6.

## Conclusion

Medicaid was established to ensure health care access for pregnant women, children, people with disabilities, and low-income populations. Transportation is an important component of Medicaid, since low-income Medicaid beneficiaries often do not have the means to travel to their medical appointments, especially when those appointments require travel over long distances and are not easily accessible by public transportation. Emergency medical transportation, non-emergency medical transportation, and nonmedical transportation are all crucial components of this requirement. These transportation services address the realities of Medi-Cal recipients, who by nature are more likely to lack reliable transportation to and from crucial medical services. By expanding nonmedical transportation to cover all Medi-Cal enrollees, California has addressed a pressing need to ensure that enrollees have transportation not only for treatments and tests from providers, but also for other important aspects of medical care, like picking up prescriptions and prosthetics, or visiting a sick child in the hospital. Advocates in California should monitor implementation of Medi-Cal's transportation benefits to ensure that Medi-Cal beneficiaries have full access to the services they need.