



IDAHO DEPARTMENT OF
HEALTH & WELFARE

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September 6, 2019

Sent Via Email: rmohan@ope.idaho.gov

Rakesh Mohan, Director
Office of Performance Evaluation
954 West Jefferson
Boise, ID 83720

Re: Idaho Dept. Health & Welfare Response to OPE Management Letter on NEMT

Dear Director Mohan,

Please accept this letter as my formal response to your management letter of August 29, 2019 regarding non-emergency medical transportation (NEMT). I appreciate your candid and unbiased assessment of our program, which has given me invaluable insight into improving the program in both the short and long term, as well as key needed preparations for the upcoming Request for Proposal (RFP).

I would like to begin by offering a sincere apology for the failure of the Medicaid team to deliver data in a timely fashion to support your efforts in conducting a full evaluation of the NEMT program. I am fully committed to supporting OPE in its critical work. In the future, if OPE is not getting what it needs in a timely manner, please feel free to reach out to me immediately and I will address the situation.

I regret the missed opportunity to obtain detailed findings from a full OPE evaluation, but I believe that the overall recommendations from a full evaluation would be largely the same. While I do hope that a full OPE analysis can be completed, I believe your management letter gives enough insight that I can take action now.

I agree with the observation that the management approach has not been active enough to achieve the desired outcomes for the NEMT program. Strategic leadership changes to increase accountability, ownership, oversight and quality of our managed care contracts and services are already in process. The Division of Medicaid recently brought on a new Deputy Administrator for Benefits who has primary responsibility for managed care contracts, including NEMT. We are in the process of restructuring the team responsible for NEMT to achieve better outcomes, including hiring a new Bureau Chief of Managed Care. We plan to increase both the number of staff and their training to effectively manage the NEMT contract.

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I agree that the analysis of rates and setting them appropriately is an important component of any managed care contract management. The division leadership is committed to using lessons learned within our managed care environment as catalysts for continuous improvements across our contracts and programs. The division conducts annual actuarial analyses for the Idaho Behavioral Health Plan, Idaho Smiles, and Idaho Medicaid Plus/Coordinated Plan managed care contracts and adjusts rates when necessary to maintain appropriate reimbursement for those plans. Going forward, we will be doing that for the NEMT contract as well.

I also agree with your observation that we need to improve our data analysis and tracking of NEMT data. This ability will be critical to the success of future work to improve our program, ensure a high standard of care and support the best possible contract management. The division is committed to refocusing our NEMT monitoring team to conduct in-depth data analysis and independent assessment to drive improvements in contract management, service delivery and to inform our upcoming RFP specifications. In addition, earlier this summer the division met with our accounting contractor to put together a plan to leverage their audit capabilities for managed care data, including the NEMT contract. The new NEMT contract amendment formalized in July includes terms that allow the division to track missed or late trips on a monthly basis and enact increased penalties for individual missed or late trips rather than having that information in the aggregate.

Finally, as you described in the management letter, a critical next step is the upcoming RFP. My commitment is that we will leverage the previous OPE reports, the University of Illinois report the division's experience with other managed care contracts and complete the necessary analysis to structure an RFP that will lead to a successful NEMT contract.

During our recent work to stabilize this contract the Division of Purchasing has been strongly supportive of our desire to improve accountability for the broker. That support has been critical for these efforts and we look forward to working with them in a collaborative and effective manner going forward, particularly on the RFP. We greatly appreciate their assistance.

We support your continued work and hope the Joint Legislative Oversight Committee supports completing a comprehensive evaluation of the NEMT program. We are committed to improving our capabilities for contract management and recognize that this is a critical responsibility for the Division of Medicaid.

Sincerely,



DAVE JEPPESEN
Director