

## Report in Brief

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Report No. A-01-19-00004

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**



### Why OIG Did This Audit

The Medicaid program pays for nonemergency medical transportation (NEMT) services that a State determines to be necessary for beneficiaries to obtain care. Prior OIG audit reports have consistently identified NEMT services as vulnerable to fraud, waste, and abuse.

Our objectives were to determine whether Massachusetts: (1) claimed Federal Medicaid reimbursement for NEMT service claims in accordance with Federal and State requirements and (2) ensured that NEMT providers adequately documented driver qualifications and maintained vehicle records.

### How OIG Did This Audit

We reviewed Massachusetts's monitoring and oversight of its NEMT brokerage program, including compliance with certain Federal and State requirements to determine whether: (1) the beneficiary received a qualifying medical service on the date of transportation, (2) there was adequate documentation supporting the NEMT service, (3) the NEMT service was provided, and (4) driver and vehicle qualifications complied with State regulations. We reviewed 100 randomly sampled claim lines of service from the 896,792 lines of service between January 1, 2016, to December 31, 2017, for which Massachusetts paid \$17.3 million.

## Massachusetts Made at Least \$14 Million in Improper Medicaid Payments for the Nonemergency Medical Transportation Program

### What OIG Found

Massachusetts claimed Federal Medicaid reimbursement for 86 of 100 sampled lines of service submitted by transportation providers that did not comply with certain Federal and State requirements. The improper claims for unallowable services were made because the State's monitoring and oversight of the NEMT program did not ensure that NEMT services were for qualifying medical services and were adequately documented. In addition, for all 100 sample items, driver qualifications and vehicle inspection, registration, and maintenance policies or schedules were not adequately documented.

On the basis of our sample results, we estimated that at least 758,847 Medicaid claims totaling \$14,142,730 (\$7,071,365 Federal share) did not comply with certain Federal and State regulations. In addition, because there was insufficient information and documentation to assess compliance with driver qualifications and vehicle requirements, we cannot be assured that the beneficiaries were transported by qualified drivers and in safely maintained vehicles. These deficiencies occurred because Massachusetts did not provide adequate oversight of the NEMT program.

### What OIG Recommends and Massachusetts Comments

We made several recommendations to the Massachusetts Executive Office of Health and Human Services, including that it: (1) refund \$7,071,365 million to the Federal Government, (2) perform data matches to all claims billed on the day of an NEMT service to ensure only NEMT claims are paid when there is a corresponding qualifying medical service, (3) work with its brokers to ensure that documentation contains all necessary elements to support the NEMT service, (4) evaluate opportunities to better monitor transportation services, and (5) work with its brokers to implement controls that ensure drivers and vehicles used to provide NEMT services can be directly and clearly traced to the correct driver qualifications and vehicle records.

In written comments on our draft report, Massachusetts concurred with three of our recommendations, generally or partially concurred with two of our recommendations, and did not concur with one recommendation. The State said that our findings identify opportunities for it to improve the integrity of its nonemergency transportation program, and we believe the State's actions address the recommendation with which it did not concur.