

**COUNTY OF MILWAUKEE  
INTEROFFICE COMMUNICATION**

**DATE:** July 6, 2011

**TO:** Supervisor Michael Mayo, Sr., Chairperson  
Transportation, Public Works & Transit Committee

**FROM:** Jack Takerian, Director, Transportation & Public Works  
Lloyd Grant, Jr., Managing Director, MCTS

**SUBJECT:** Informational Report on Effects of the State of Wisconsin  
Transportation Brokerage Program on the  
Milwaukee County Transit System

**POLICY**

MCTS periodically provides informational updates to the Committee on transit issues.

**BACKGROUND**

The State of Wisconsin 2009-2011 biennial budget included a provision allowing the Wisconsin Department of Health Services (DHS) to implement a transportation management initiative for non-emergency medical transportation (NEMT). DHS has contracted with an Atlanta-based transportation broker to manage the non-emergency medical transportation needs of some Medicaid members in the State of Wisconsin. Effective July 1, 2011, the broker, LogistiCare, will coordinate NEMT services that are funded by Medicaid.

Currently, about 100,000 NEMT rides are taken annually on Transit Plus paratransit van services by Wisconsin Medicaid members. Historically, Milwaukee County Transit Plus has been reimbursed by DHS for the full cost of paratransit trips to medical appointments by eligible Medicaid recipients, about \$2.1 million annually. However, effective July 1, 2011, Transit Plus will no longer have the option of seeking reimbursement from the Wisconsin Medicaid program for NEMT trips for Medicaid clients.

Milwaukee County Transit System has learned that DHS has split responsibility for providing NEMT rides between the broker (LogistiCare) and Medicaid funded programs that already receive Medicaid reimbursement for member services that include transportation. DHS has indicated that these Medicaid funded programs will be responsible for any NEMT trips for eligible recipients. Under the transportation manager initiative, Title XIX (Medicaid) eligible recipients will have to use the broker. However, some exceptions include:

- Wisconsin Medicaid or BadgerCare Plus members who are enrolled in an HMO and live in six Southeastern Wisconsin counties (Milwaukee, Waukesha, Ozaukee, Kenosha, Racine and Washington);
- Members who reside in a nursing home;
- Members enrolled in Family Care.

Because the transportation management broker system replaces the reimbursement program, the Milwaukee County Transit Plus program will not be reimbursed for any NEMT expenditures incurred after July 1, 2011. Elimination of the reimbursement program mid-year 2011 is expected to have as much as an \$812,000 fiscal impact on the 2011 Transit Plus budget. MCTS projects that this revenue loss will be offset by expense reduction from decreased van rides.

Since DHS has made clear that nursing homes and Family Care CMOs are responsible for NEMT services, Transit Plus will attempt to mitigate the fiscal impact of the new broker system in a proactive manner.

Nearly all residents of nursing homes are Medicaid eligible, therefore, MCTS will take steps to inform all nursing homes in Milwaukee County that because of the State's new broker system and newly defined nursing home rules and reimbursement schedules, Transit Plus will no longer provide medical trips to nursing home Medicaid recipients without full reimbursement. If a nursing home decides to schedule a NEMT trip with Transit Plus, that nursing home will be charged the fully allocated cost of the Transit Plus ride. Each nursing home will be invoiced on a monthly basis for any NEMT trips provided in the previous month.

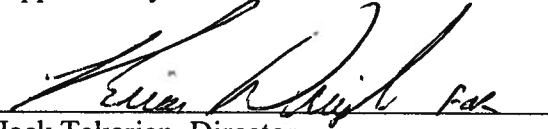
In addition to taking this action, MCTS will continue to track the fiscal impact of the State of Wisconsin managed transportation broker system on the 2011 Transit Plus budget, and further review how MCTS should mitigate loss of State funding for Medicaid based paratransit trips.

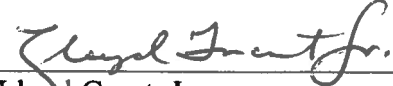
#### RECOMMENDATION

This report is for informational purposes unless otherwise directed.

Prepared by: Lloyd Grant, Jr., Managing Director, MCTS

Approved by:

  
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Jack Takerian, Director  
Transportation & Public Works

  
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Lloyd Grant, Jr.  
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cc: Chairman Lee Holloway, County Board of Supervisors  
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