

State of Hawaii  
Department of Human Services  
MED-QUEST DIVISION

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**MEDICAID STATE PLAN**

**SPA MEMO NO.:** 24-03

**DATE:** 07/19/24

**ORIGINATOR:** POLICY AND PROGRAM DEVELOPMENT OFFICE

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TO: Custodian of Med-QUEST Division Medicaid State Plan

FROM: Judy Mohr Peterson, PhD <sup>JMP</sup>  
Med-QUEST Division Administrator

SUBJECT: APPROVAL OF AMENDMENT UNDER THE MEDICAID STATE PLAN

**EXPLANATION:**

The State of Hawaii received approval from the Centers for Medicare & Medicaid Services (CMS) for State Plan Amendment (SPA) Number 24-0003 “Non-Emergency Medical Transportation (NEMT) 2024” on July 11, 2024.

Hawaii has updated their NEMT pages to align with new guidance [CMS State Medicaid Director (SMD) letter #23-006 “RE: Assurance of Transportation A Medicaid Transportation Coverage Guide”] shared on September 28, 2023. The guidance addresses requirements and flexibilities regarding Medicaid’s transportation assurance under 1902(a)(4)(A) of the Social Security Act (the Act) and statutory requirements outlined in the Consolidated Appropriations Act (CAA), 2021, section 209(a).

In addition, Hawaii’s initial NEMT state plan pages were really old (*last amended in 1987*) and we chose to use this opportunity to properly describe Hawaii Medicaid coverage of NEMT services that we provide currently. We initially sent a draft to CMS for their review and with their recommendations, made the following state plan page changes:

- Section 3.1 pg.24-(Housekeeping edits)-Hawaii has amended this page to change the term “recipients” to “beneficiaries”. (Aligns with our current Hawaii Administrative Rules definitions.)
- Attachment 3.1-D pg. 1-1a-Hawaii clarifies in these pages what transportation services are provided as an optional medical service and administrative activity under Medicaid, describes the types of non-emergency and emergency medical transportation options, and clarifies the non-emergency medical transportation models and authorities in providing NEMT Medicaid services.
- Supplement to Attachment 3.1-A and 3.1-B pg. 5-5a-Aligns this section with edits made to Attachment 3.1-D.

- Attachment 4.19-B pg. 8.1-8.2-(Housekeeping edits in the payment section)-Hawaii has amended this page to change the term “recipients” to “beneficiaries” and adds additional clarification to medical taxi services payment for services.

**FILING INSTRUCTIONS:**

Review and file the amended Medicaid State Plan pages in your Medicaid State Plan Manual as follows:

**Remove OLD:**

Section 3.1 pg.24

Attachment 3.1-D pg. 1-1a

Supplement to Attachment 3.1-A and 3.1-B pg. 5-5a

Attachment 4.19-B pg. 8.1-8.2

**Replace with amended:**

Section 3.1 pg.24

Attachment 3.1-D pg. 1-1a

Supplement to Attachment 3.1-A and 3.1-B pg. 5-5a

Attachment 4.19-B pg. 8.1-8.2

Please keep approved SPA 24-0003 package and supporting documentation for your records.

The Med-QUEST Division amendment described above has been incorporated into the electronic version of the Medicaid State Plan located at the Department of Human Services website link for public transparency below:

<http://humanservices.hawaii.gov/reports/hawaii-medicaid-state-plan/>

**Attachments**

- C: Attorney General’s Office
- Audit, Quality Control & Research Office/Quality Control Staff
- Clinical Standards Office
- Department of Health/Child & Adolescent Mental Health Division
- Department of Health/State Planning Council Developmental Disabilities
- Department of Health/Developmental Disabilities Division
- Department of Human Services /Adult Protective and Community Services Branch
- Department of Human Services/Policy and Program Development Office
- Eligibility System Project (KOLEA)
- Finance Office
- Hawaii Document Center/HI State Library
- Hawaii Legislative Reference Bureau Library
- Health Care Services Branch
- Legal Aid Society of Hawaii

State/Territory: HAWAII

<u>Citation</u>	3.1 <u>Amount, Duration, and Scope of Services</u> (continued)
42 CFR 431.53	(c) (1) Assurance of Transportation  Provision is made for assuring necessary transportation of beneficiaries to and from providers. Methods used to assure such transportation are described in ATTACHMENT 3.1-D.
42 CFR 483.10	(c) (2) Payment for Nursing Facility Services  The State includes in nursing facility services at least the items and services specified in 42 CFR 483.10 (c) (8) (i).

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**SUPPLEMENT to ATTACHMENT 3.1-A and 3.1-B**

- 18. Authorization by the Department's medical consultant is required for services during a transitional period.
- 20.a. & b. Extended services to pregnant women includes all major categories of services provided for the categorically needy recipients, as long as the services are determined to be medically necessary and related to the pregnancy.
- 22. Prior authorization is required by the medical consultant for the provision of respiratory care services for ventilator-dependent individuals.
- 23. Nurse practitioner services shall be limited to the scope of practice a nurse practitioner is legally authorized to perform under State law.

24a. Transportation:

Emergency Medical Transportation Services

- a. Ground or air ambulance service is provided in emergencies or when a beneficiary, as determined by medical necessity criteria, is unable to travel by other non-emergency medical transportation mode.
- b. Out of state travel is covered consistent with 42 CFR 431.52

Non-Emergency Medical Transportation Services

- a. Non-emergency medical transportation modes, which includes taxi, wheelchair van, stretcher car, transportation network company and commercial carrier transportation, is provided for beneficiaries residing in areas not served by a bus or public transportation system, or when travel by bus or public transportation would be either hazardous or cause extreme hardship to a beneficiary based on state medical necessity criteria.
- b. Air transportation is provided when required specialized medical services are not available on the island of beneficiary's residence.
- c. Out of state travel is covered consistent with 42 CFR 431.52.
- d. The state covers related travel expenses when necessary for accessing covered services.
- e. Except for emergencies, prior authorization is required for air transportation and other non-emergency transportation modes.

- 24d. Must meet the skilled nursing level of care requested by a physician and approved by the department's medical consultant.

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State: HAWAII

**Transportation:**

To assure necessary transportation for beneficiaries and their approved attendants to and from providers of covered services, several types of transportation are used to meet the beneficiary's transportation needs.

Described below are the methods used:

## 1. Non-Emergency Medical Transportation (NEMT) Types:

- a. These services are covered as an administrative activity and not included as an optional medical service:
  - i. Bus and public transportation are provided for beneficiaries residing in areas served by the bus and public transportation system.
  - ii. Mileage reimbursement is provided for participating drivers who drive a beneficiary to and from a Medicaid-covered service in a personal car.
- b. These services are covered as an optional medical service consistent with 42 CFR 440.170(a).
  - i. As described in Supplement to Attachment 3.1-A and 3.1-B pg.5 under Transportation.
  - ii. The state covers related travel expenses (including meals, lodging, and attendant) when necessary for accessing covered services.

## 2. Emergency Medical Transportation

As described in Supplement to Attachment 3.1-A and 3.1-B pg.5 under Transportation services are covered as an optional medical service consistent with 42 CFR 440.170(a)

## 3. Non-Emergency Medical Transportation Models

Non-emergency medical transportation (NEMT) is provided through two models and authorities:

- a. Medicaid beneficiaries in a managed care model by managed care organizations under the authority of the Section 1115 Demonstration waiver and section 1915(a) of the Social Security Act; and
- b. Medicaid beneficiaries in a fee-for-service model under the provisions of 42 C.F.R. §431.53 and 440.170(a).

## 4. Single State Agency Responsibilities

This single state agency is responsible for determining each beneficiary's Medicaid eligibility, NEMT eligibility and benefit coverage. The single agency ensures the following:

- a. Transportation services are provided only by contracted or enrolled Medicaid transportation providers.
- b. Transportation services are provided only in conjunction to a Medicaid-covered service.
- c. Medicaid is the payor of last resort, with certain exceptions allowed by federal regulations or law.
- d. Medicaid beneficiary is informed about rights and responsibilities.

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- e. All Medicaid beneficiaries (including Early Periodic Screening and Developmental Testing beneficiaries) have a means of being informed of transportation and other benefit coverage.
- 8. Program Limitations  
Covered transportation is limited to trips for Medicaid beneficiaries, and their approved attendants, to and from Medicaid-covered services.
- 9. Program Monitoring and Oversight  
Transportation program oversight includes monitoring of complaints made by beneficiaries related to transportation access and quality including, but not limited to, courteous and respectful drivers and scheduling staff, clean vehicles, and timely rides. The state holds accountable the operational organizations that administer day-to-day transportation, such as transportation companies, managed care organizations, and drivers.

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9. In compliance with section 1927(b)(2) of the Social Security Act invoice reports will be submitted to each qualifying rebate manufacturer and the Department of Health and Human Services Secretary within sixty days after the end of each calendar quarter including information on the total number of dosage units of each covered outpatient drug dispensed under the rebate plan. This report will be consistent with the standard reporting format established by the Secretary and include the total number of dosage units of each covered outpatient drug dispensed under the plan during the quarter.

b. Payments for transportation services are limited as follows:

- 1. Payments for ground ambulance and air ambulance services are limited to billed charges, the rate negotiated by the Department or the Medicare reasonable charge, whichever is lower. In the case of neonatal ground transportation, the upper limit on payment shall be at a rate set by the Department;
- 2. Except for a beneficiary who is a stretcher patient, payment for air transportation shall not exceed the inter-island or out-of-state airfare charged the other persons on the beneficiary's flight, or a contracted amount previously agreed upon between the airlines and the Department for emergency chartered flights. For transportation of a stretcher patient by the scheduled carrier, payment shall not exceed the airfare charged for four seats on the beneficiary's flight.
- 3. A round trip airfare shall be paid for an attendant whose services are recommended by the attending physician or are required by the airline. Prior approval of the Department's medical consultant is necessary, except in emergency situations, when the attending physician's authorization is sufficient, subject to the Department's medical consultant's review. In addition, payment shall be made for the attendant's service, provided the attendant is unrelated to the patient. The amount of payment for the attendant's service shall not exceed the following applicable rates:

(a) Leave and return same day.....\$20

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TN No. 01-011

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- (b) Requiring overnight stay.....  
\$40
4. Payments for emergency air ambulance services shall be based upon prearranged contracted rates between the air carrier and the Department not to exceed the rates charged the general public or the amounts paid by Medicare, whichever is lowest. The emergency trip shall be authorized by the attending physician using the form by the department;
5. Payments for emergency ground ambulance services shall be based upon prearranged contracted rates between the provider and the Department. not to exceed rates charged the general public or the amounts paid by Medicare, whichever is lowest. Additional amounts shall be paid for life-saving measures administered in the ambulance such as oxygen. The charge shall not exceed the provider's customary charge to the general public, the rate set by the Department, or Medicare's reimbursement level for the same service. Beneficiary's requiring ambulance service shall have the emergency trip authorized by the attending physician using the form designated by the Department or by the medical consultant of the Department;
6. Payments for medical taxi services shall be by purchase order issued by the branch office and only for trips to or from a physician's office, clinic, hospital, or airport (for covered medical transportation) and the patient's home for Medicaid-covered benefits and services.

Further limitations on reimbursement for such services include:

- (a) No detours or side trips shall be permitted;
- (b) The amount of payment shall be made not to exceed on the basis of metered rates charged to the public; or
- (c) Payments shall not include compensation for the driver's waiting time at the clinic, hospital, physician's office, or a location of other providers of medical services, or other provider locations as determined by the Department.