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| LOCAL COMMISSIONERS MEMORANDUM |
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DSS-4037EL (Rev. 9/89)

Transmittal No: 92 LCM-58

Date: April 9, 1992

Division: Medical Assistance

TO: Local District Commissioners

SUBJECT: Approval of Increases in Medical Assistance Transportation
Reimbursement Rates

ATTACHMENTS: There are no attachments to this LCM.

According to Department Regulations 505.10(d), the Department is responsible for approval of changes in the amounts reimbursed to Medical Assistance (MA) transportation providers. This responsibility meets the Federal mandate at Title 42 of the Code of Federal Regulations (CFR) 431.53(a) which specifies that a state Medicaid Program "...will assure necessary transportation for recipients to and from providers." Necessary transportation is assured when rates are established with providers at a level at which those providers are willing to deliver the transportation service.

In order to contain Medical Assistance expenditures, a special initiative will be undertaken regarding medical transportation. The Division will only consider requests for an increase in reimbursement amounts when you believe such an increase is needed to assure that necessary transportation is available for your recipients. When the current established rate will continue to be accepted by enough vendors to meet transportation needs into the future, the Division will not approve an increase in reimbursement amounts.

Guidelines for approval of increased reimbursement rates were sent to you via the October 23, 1989 Local Commissioners Memorandum 89 LCM-193. These guidelines will continue to be followed. However, we are requesting that you do not seek a rate increase unless you believe that this increase is required to meet the Federal mandate to assure access to services.

Date April 9, 1992

Trans. No. 92 LCM-58

Page No. 2

Substantiation of the need for a proposed increase in reimbursement amounts should accompany your request in order for staff to review appropriately your request for an increase.

The Division will continue to process requests for approval of a rate(s) in those situations where no existing reimbursement rate is established. The Division will also review any requests for approval of a reimbursement rate(s) which is a reduction from the currently established reimbursement amount. Additionally, Division staff are available to assist you in seeking reduced reimbursement rates in those areas which you believe transportation services can be procured at a lower reimbursement amount.

Any questions regarding this memorandum and all proposals to reduce existing reimbursement amounts should be addressed to Timothy Perry-Coon at 1-800-342-3715, extension 35958 (OA USERID OMB070).

Sincerely,

Jo-Ann A. Costantino
Deputy Commissioner