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Contact: Greg Fugate  
osa.media@state.co.us

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### **Better Oversight Needed for Important Medicaid Transportation Benefit**

DENVER—The Colorado Office of the State Auditor (OSA) has released its performance audit of Non-Emergent Medical Transportation (NEMT), a benefit available to all Medicaid recipients for accessing medical care. Auditors found that the Department of Health Care Policy and Financing (Department) and its contractor have not ensured that NEMT is administered in line with federal and state requirements so that Medicaid recipients have consistent, reliable, and safe transportation to and from their medical appointments.

In Colorado, NEMT services include rides for Medicaid recipients by transportation service providers, mileage reimbursement, and, in some cases, lodging and meals for recipients to receive medical care. In Fiscal Year 2021, the Department contracted with IntelliRide, a private company that brokers transportation services, at a cost of \$2.9 million to administer NEMT services statewide, performing responsibilities such as coordinating transportation for recipients, submitting claims to the Department for reimbursement, paying transportation providers, and managing and resolving service complaints.

During the audit period from July 2020 to February 2021, the Department paid \$33.2 million for NEMT services provided to Medicaid recipients. Auditors found that the Department paid \$291,600 for claims that did not comply with federal and state requirements, such as claims without support that rides were actually provided, claims that were overpaid, and claims that were for rides that were not for medical care. The Department also paid about \$5.2 million for claims that were potentially noncompliant, such as taxi claims that may have been paid at incorrect rates.

Auditors found that the Department did not ensure that its statewide contractor complied with contract requirements, such as ensuring that transportation providers picked up recipients on time, answered recipient calls in a timely manner, and resolved and reported complaints or incidents that

risked recipient health and safety. For example, during the audit period, 68 percent of complaints filed with the contractor went unresolved, and 75 incidents that risked recipients' health or safety were not investigated or reported to the Department. Auditors also identified 32 acts of potential mistreatment of at-risk adults during NEMT rides, including recipient injuries, that the Department did not report to law enforcement or Adult Protective Services, as specified in statute. "In addition to making sure that claims for transportation services provided through Medicaid are appropriate, we also want to ensure that service and safety issues are being reported and addressed," said Stefanie Winzeler, Legislative Audit Supervisor.

In September 2021, the Department plans to amend its NEMT contract with IntelliRide so that it no longer administers NEMT statewide and will only serve nine Front Range counties. Transportation providers will serve the remaining 55 counties in the state.

Auditors made six recommendations to the Department for improvements. The full report is available @ [www.colorado.gov/auditor](http://www.colorado.gov/auditor).

#### **About the Office of the State Auditor (OSA)**

Under the direction of the State Auditor, the OSA's nonpartisan, professional staff promote government accountability by conducting independent performance, financial, and IT audits and evaluations of state agencies, departments, and institutions of higher education, conducting independent evaluations of the State's tax expenditures (e.g., credits, exemptions, deductions), tracking about 4,000 Colorado local governments for compliance with the Local Government Audit Law, and operating a statewide fraud reporting hotline.

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