

NEBRASKA

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DEPT. OF HEALTH AND HUMAN SERVICES



Pete Ricketts, Governor

February 9, 2018

Senator Curt Friesen
Room #1110
State Capitol
P.O. Box 94604
Lincoln, NE 68509-4604

RE: LB 1043

Dear Chairperson Friesen and members of the Transportation Committee. We would ask that this letter be formally included in the record for LB 1043:

We are writing on behalf of the Department of Health and Human Services (DHHS) to express our opposition to LB 1043, which contains provisions affecting certain DHHS clients.


Senator Lowe has communicated to the agency that he does not intend for the Committee to move forward with LB 1043 at this time. However, DHHS would like the committee to know that this bill would allow a negotiated reimbursement to a common or contract carrier for transportation to DHHS program recipients. The Department currently establishes flat reimbursement rates for transportation services, which are not negotiated by provider. Some of the rate methodologies require approval from our federal partners.

Under LB 1043, negotiated rates will have a fiscal impact to Department programs that provide transportation, which may result in the loss of federal matching funds for this service. This would prevent DHHS from having a standardized program rate, that is equitable, for all providers who deliver the same service.

LB1043 also requires reimbursement to providers for unloaded miles, which is an unallowable cost in most DHHS programs, per federal and state regulations. The definition of "point of dispatch" is unclear and how duplicative billing of unloaded miles will be prevented when the vehicle does not return to the point of dispatch prior to being dispatched to provide another service.

Thank you for the opportunity to share the above information and we look forward to working with Senator Lowe on continuing our mission of helping people live better lives.

Sincerely,


Thomas "Rocky" Thompson
Interim Director Medicaid and Long-Term Care
Department of Health and Human Services


Courtney Miller, Director
Division of Developmental Disabilities
Department of Health and Human Services



Matthew T. Wallen, Director
Division of Children and Family Services
Department of Health and Human Services

CC: Senator Lowe