



Rhode Island Executive Office of Health and Human Services
3 West Road | Virks Building | Cranston, RI 02920

Date: January 6, 2022

To: Alaina Macia, CEO, MTM

From: Kristin Sousa, Acting Medicaid Program Director, EOHHS

Cc: Womazetta Jones, Secretary, EOHHS
Ana Novais, Assistant Secretary, EOHHS
Lisa Martinelli, EOHHS Legal Counsel, EOHHS
Yvette Mendez, EOHHS Chief of Staff, EOHHS
Mark Kraics, Acting Deputy Medicaid Director, Managed Care & Oversight, EOHHS
Jane Morgan, Medicaid Legal Counsel, EOHHS
John Bonin, Medicaid Chief of Staff, EOHHS
Jason Lyon, Administrator, EOHHS
Tammy Wright, Corporate Compliance and Audit Director, MTM
Paul Hynes, Rhode Island Program Director, MTM

Re: Notification of Liquidated Damages, Audit Review Materials and Correction Actions

Dear Ms. Macia,

Following the recent death of an elderly transportation program (ETP) member on December 3, 2021, resulting from an accident involving Rhode Island's non-emergency medical transportation (NEMT) broker, Medical Transportation Management (MTM), EOHHS immediately began a comprehensive review of MTM operations to analyze the incident to reduce the likelihood of such a tragedy reoccurring. The health and safety of our members is the State's paramount concern and MTM's compliance with contractual obligations and duties is imperative to ensure the safety of Rhode Island's most vulnerable populations transported by MTM providers.

This Memorandum provides MTM with notice of the following three (3) key contractual actions and concerns: 1) Notification of liquidated contractual damages regarding MTM's failure to implement procedures and sufficiently oversee the NEMT to protect the health and safety of members; 2) Review of audit materials with material findings and follow-up questions and data requests; and 3) Corrective action plans to be immediately submitted to EOHHS and implemented by MTM.

1: Liquidated Damages Notification

Based upon the current Agreement section, IMPOSITION OF INTERMEDIATE SANCTIONS, EOHHS will be imposing monetary damages for MTM's failure to comply with contract requirements to ensure member safety. EOHHS retains the authority to impose additional sanctions under State statutes or State regulations that address areas of noncompliance, as well as any additional areas of noncompliance.

This fatal accident involved a series of very severe violations of law and breaches of the standard of care expected when MTM transportation providers transport elderly members to medical appointments. The MTM driver was not even credentialed in MTM's transportation network, was driving under a false identity, improperly secured the member's wheelchair in the vehicle and was driving under the influence of a controlled substance with an open bottle of alcohol in the vehicle at the time of the accident. This egregious behavior by a MTM transportation provider occurred under the duty and care of MTM. Under Section 6.01 of the Contract, MTM has the duty and is responsible for ensuring that members are safely transported.

Based upon the Agreement and the serious health and safety violations that resulted in the death of a member passenger, EOHHS is assessing MTM a \$200,000 penalty for each finding associated with the death of this member transported by MTM's transportation broker:

1. Driver use of a false identity to transport a member. \$200,000 penalty.
2. Driver driving under the influence of a control substance with an open bottle of alcohol in the car. \$200,000 penalty.
3. Failure to secure a passenger in wheelchair transport that resulted in the proximate cause of death for member. \$200,000 penalty.

EOHHS will be removing \$200,000 from the monthly capitation payment starting in February 2022 through to April 2022, based on the noted damages.

Given that the Rhode Island Attorney General is reviewing this matter, EOHHS may assess additional penalties, given any additional findings.

2. Audit Materials Review

MTM provided EOHHS with materials requested by EOHHS in the communication dated December 8, 2021. EOHHS instructed MTM to submit all requested materials by 4:30 p.m. EST Friday, December 10, 2021. For both deliverables #1 and #5, MTM provided all documents requested at 12 p.m. on Monday, December 13, 2021.

EOHHS will be requesting additional details, including MTM's business processes and additional data, to enable EOHHS, to its satisfaction, to confirm that all drivers are credentialed. Please see the information requested in the table on pages 4-10.

Through the EOHHS audit review, MTM notified EOHHS that four (4) transportation provider vehicles were not in compliance with insurance requirements. All four (4) of these transportation providers have been suspended from MTM's provider network until all required credentialing documentation is received from them. Assured Transportation has been terminated from MTM's transportation provider network.

EOHHS' audit of MTM included review and verification of driver credentials. This initial limited audit of MTM processes to review compliance with driver credentialing requirements demonstrated only partial compliance with MTM contract requirements. Further remediation and corrective action are necessary to prevent unauthorized drivers from operating vehicles. Corrective actions are discussed in Section 3 of this Memorandum.

EOHHS is requesting that MTM submit responses to all follow-up questions and material findings of noncompliance, including additional data and documents to EOHHS, no later than 4 p.m. EST January 21, 2022.

Lastly, EOHHS is requiring MTM to conduct in-person training for securing wheelchairs and stretchers for all network providers by **March 18, 2022**. MTM must require all credentialed network transportation providers, including those who have completed a wheelchair training course during the last twelve (12) months, to take an in-person class and final examination, including demonstration on how to secure wheelchairs and stretchers, that meets industry safety standards. Due to the pandemic, classes are being conducted virtually, however, given the importance to ensure individuals are securely placed in vehicles, in-person hands on training of transportation providers must be required by MTM. MTM will be responsible for producing in-person training attendance logs for individuals for credentialed TPs. EOHHS shall have access to review training materials and attend in-person training classes. EOHHS will evaluate the quality of MTM's training and that review that all approved transportation providers have participated in all required trainings and passed the final examination-demonstration successfully. **Any MTM network transportation provider who does not complete the in-person training by March 18, 2022 shall not be permitted to transport wheelchair or stretcher NEMT members.**

Deliverable	Description	Due Date	EOHHS Follow-up and Material Findings
<p>1. A complete audit of all MTM sub-contractors to ensure compliance with State of Rhode Island laws, regulations, and requirements of the contract.</p>	<p>The audit must include examination of all requirements enumerated in the following excerpts. Full documentation for each item must be included in the response.</p> <ol style="list-style-type: none"> 1. Sections 7.0 TRANSPORTATION PROVIDER AND VEHICLE REQUIREMENTS and 6.01 Transportation Provider Contracts of the FOURTH AMENDMENT TO THE TRANSPORTATION BROKERAGE CONTRACT BETWEEN STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES AND MEDICAL TRANSPORTATION MANAGEMENT, INC. AMENDED JULY 31, 2019. 2. Insurance Requirements for Credentialing (Pg. 8) from The Transportation Provider Handbook, Rhode Island v2. October 2018. 3. Credentials collected related to Chapter 2- Credentialing from The Transportation Provider Handbook, Rhode Island v2. October 2018. 	<p>12/10/2021</p> <p>All documentation received 12/13</p>	<p><u>FOLLOW-UP:</u></p> <ol style="list-style-type: none"> 1. EOHHS requests that MTM provide original source material (i.e., photocopies of licenses and copies of insurance) from credentialing. 2. MTM to provide standard operating procedure for checking criminal records and on-going checks for transportation providers for credentialed drivers. <p><u>MATERIAL FINDINGS:</u></p> <ol style="list-style-type: none"> 3. There is insufficient evidence of individual driver credential reviews performed by MTM as required in Section 7.02 of Agreement. MTM must provide EOHHS the cadence in which MTM reviews provider credentials and to comply with annual review process that all drivers are fully credentialed and authorized to operate vehicles. 4. Inconsistencies in vehicle inspections passing MTM inspection. Specifically, with missing signage in the vehicle,

Deliverable	Description	Due Date	EOHHS Follow-up and Material Findings
			<p>missing MTM complaint line flyer, no inspection requirement for EOHHS placard, missing seat belt extensions as required in Section 7.02 of Agreement. As required in element 3 of deliverable of the Provider Handbook and current Agreement, inconsistencies with vehicle identification do not appear to be enforced or followed by MTM for transportation providers based on documentation submission.</p> <p>5. Inconsistencies in which documentation are collected and inputted with MTM business processes. The use of handwritten review materials has unclear text and the inability for MTM to review material for future review. MTM to demonstrate how hand notes are inputted into central database and review process for when documentation expires and is updated. Training materials for how staff review documentation.</p>

Deliverable	Description	Due Date	EOHHS Follow-up and Material Findings
			<p>6. MTM must ensure that all documentation submitted from transportation providers is only for those who are driving members during NEMT trips to prevent unauthorized drivers to using the credentials of credentialed drivers. Such safeguards are not established within MTM Handbook and how MTM will provide monitoring and oversight to prevent such occurrences and corrective action by MTM.</p>
<p>2. A detailed, chronological account of all reports related to the ETP beneficiary transportation from the scheduling of the trip to current that were made to MTM and from MTM to EOHHS.</p>	<p>Documentation shall include all materials including but not limited to:</p> <ol style="list-style-type: none"> 1. Documentation to MTM from Assured Transportation related to the ETP beneficiary 2. Documentation from MTM to EOHHS <p>Documentation received by MTM by any party related to the ETP beneficiary</p>	<p>12/10/21</p>	<p><u>FOLLOW-UP:</u> 7. MTM to provide documentation that all transportation provider completed substance free driving education given findings from police report. No such documentation is included in submission.</p> <p><u>MATERIAL FINDINGS:</u> 8. Initial incident report did not have sufficient details on the nature of the incident that would allow EOHHS to request MTM</p>

Deliverable	Description	Due Date	EOHHS Follow-up and Material Findings
			<p>to peruse immediate actions. Specifically, an uncredentialed driver was driving a NEMT trip and was under the influence of alcohol. MTM to provide notification process, specifically how transportation providers are to report the occurrence of criminal activity. Request process for timely updates on the status of an injured member.</p>
<p>3. History of Assured Transportation’s credentialing, performance, and relationship with MTM.</p>	<p>Documentation shall include all materials related to Assured Transportation’s relationship with MTM including but not limited to:</p> <ol style="list-style-type: none"> 1. Total number of trips per month 2. Total number and types of complaints with final resolution outcomes for each complaint 3. Total number of contract/agreement violations with final resolution outcomes for each violation 4. Copies of all documents presented to MTM by Assured Transportation at initial sub-contracting and credentialing and all additions/revisions since. 5. Any investigations/audits conducted and all related documentation 	<p>12/10/21</p>	<p><u>FOLLOW-UP:</u> 9. MTM to provide EOHHS written response to why Assured Transportation was not terminated from its network for previous complaints and incidents. MTM to provide documentation if they were aware that Assured Transportation had been reported to be using unauthorized drivers within its provider network.</p>

Deliverable	Description	Due Date	EOHHS Follow-up and Material Findings
	<p>including the FWA investigation regarding Assured Transportation. A detailed account of all performance, credentialing, and contract reviews for Assured Transportation, including all related documentation.</p>		
<p>4. Transportation Provider Quality Control Practices</p>	<p>Documentation shall include all materials related to MTM’s Transportation provider performance oversight practices, including but not limited to:</p> <ol style="list-style-type: none"> 1. Transportation Provider audit processes performed by MTM, including timelines and related documents 2. Transportation Provider vehicle inspection processes performed by MTM, including timelines and related documents 3. Any other performance and/or oversight activities conducted by MTM, including timelines and related documents <p>Current actions related to operations and processes to improve quality control following the incident occurring on 11/30/2021 with ETP beneficiary, particularly MTM’s processes to confirm all drivers that are operating vehicles are credentialed and approved by MTM.</p>	<p>12/10/21</p>	<p>MATERIAL FINDINGS:</p> <p>10. Submission did not establish the thresholds which transportation providers would be terminated from the network for repeated offenses.</p> <p>11. MTM did not provide any materials to describe improved quality control to prevent uncredentialed drivers from operating an NEMT trip for Rhode Island members. Such safety findings have been documented in EOHHS Oversight meetings with MTM, however, documentation does not reflect how MTM is preventing such actions and illicit activities for subcontracted transportation providers. Safeguards need to be implemented immediately.</p>

Deliverable	Description	Due Date	EOHHS Follow-up and Material Findings
5. Transportation Provider Agreements	<p>Documentation shall include all materials related to Transportation Provider Agreements including but not limited to:</p> <ol style="list-style-type: none"> 1. <u>All</u> Transportation Provider agreements, additions, and revisions, including rate schedules attached to the agreements 2. A schedule of all rates actually paid for trips for Assured Transportation for the period July 1, 2021 to November 30, 2021. <p>Rates actually paid should be fully categorized by mode and as single, multiload, special, marketplace, etc.</p>	<p>12/10/21</p> <p>All documentation received 12/13</p>	<p>FOLLOW-UP</p> <p>12. MTM to provide data how price paid for negotiated rate does not decrease quality for transportation.</p> <p>13. MTM to provide EOHHS additional information on how rates are negotiated and how MTM ensures that quality transportations providers are retained in its network.</p>
6. Long Term Care Coordinating Council (LTCCC) reporting	<p>Documentation shall include all materials related to LTCCC reporting (monthly/quarterly) with dates</p>	<p>12/10/21</p>	<p>COMPLETE.</p>
7. Transportation Provider Governance	<p>Provide a current copy of the MTM Transportation provider Manual and all Agreements between MTM and Assured.</p>	<p>12/10/21</p>	<p>COMPLETE.</p>
8. Transportation Provider network adequacy	<p>Provide a complete accounting of all trips categorized as “No T/P available” since January 1, 2019. Including mode, destination trip type and date for each requested trip</p>	<p>12/10/21</p>	<p>COMPLETE.</p>

Deliverable	Description	Due Date	EOHHS Follow-up and Material Findings
9. Responsibilities of MTM Staff in MTM Rhode Island Office or elsewhere	Provide a complete listing of each MTM staff person currently employed by MTM and working at the MTM Rhode Island office and/or in support of the Rhode Island MTM Office regardless of their location. Itemize job titles, hours of work and total job responsibilities for MTM dedicated staff located both in Rhode Island and out of state.	12/10/21 Sufficient data pertaining to request not included.	<u>MATERIAL FINDING:</u> 14. EOHHS did not receive the intended response details describing the in state MTM staff % of work assignment within the RI program. EOHHS has noted that some key personnel staff have changed their job titles as of 12/1/2021 that would reflect that their scope was larger than just servicing the Rhode Island account which is contractually required.

3. Corrective Action

Based upon the audit findings EOHHS is placing MTM on a corrective action plan (CAP):

1. MTM's notification process of contractually required tiered critical incident reporting was lacking in sufficient detail that EOHHS was not able to fully comprehend the severity of the accident and criminal activity that resulted in the death of the ETP member on from the incident on November 30, 2021; and,
2. MTM shall develop a mitigation plan to prevent unauthorized drivers from driving on behalf of credentialed transportation providers in MTM's network to prevent fraudulent activities.

Under the current Agreement, EOHHS may place MTM on additional corrective actions, as necessary, based on audit findings. It is, however, EOHHS' expectation that MTM will immediately address these noted findings and that MTM will comply with all timeframes and deliverable requests.

3. **Issue of Non-Compliance:** *Section 1.16.1 Complaint Tiers and Section 1.71 Significant Incident*

MTM shall submit to EOHHS a CAP in writing using the attached EOHHS template to address the MTM's process for notification of complaints and/or critical incidents by transportation providers as well as MTM's process for notification of said incidents to EOHHS.

The corrective action plan shall include, at a minimum, timeliness of reporting, methodology of reporting, follow up actions taken to mitigate recurrence. This shall include a strategy for identifying and reporting critical incidents effectively. In addition to the CAP documentation, MTM shall submit policy and standard operating procedure for transportation provider (s) to report incidents to MTM and MTM's policy and standard operating procedure for reporting significant incidents to EOHHS.

EOHHS requires MTM to implement immediate corrective action and provide a written documentation no later the **January 14, 2022**.

4. **Issue of Non-Compliance: Inadequate Oversight of Transportation Providers (TPs) per Section 2.01 LIENSURE, ACCREDITATION, CERTIFICATION**

MTM shall submit to EOHHS a CAP in writing using the attached template to address MTM's oversight and monitoring of TP performance compliance with required permits, licenses and are fully credentialed as is statutorily and contractually required by the State of Rhode Island.

The CAP shall include, at a minimum, subcontractor oversight policies and standard operating procedures. The required documentation submitted to EOHHS by MTM shall identify the method and frequency of credential verifications, mitigation strategies for unverified or inadequately licensed drivers (up to and including termination). The CAP shall include a detailed mitigation plan that fully addresses how MTM will prevent TPs for allowing unauthorized drivers for driving assigned NEMT rides.

After review MTM records EOHHS is dissatisfied with MTM's substandard oversight by MTM of its contracted transportation providers utilizing unauthorized drivers to complete NEMT rides. EOHHS is requiring MTM to immediately implement corrective action to address this situation and increase its oversight of transportation providers and to provide EOHHS with a detailed written CAP no later than **January 14, 2022**.

EOHHS reserves the right to approve or reject in whole or in part the corrective action plans. Once satisfied with MTM's mitigation strategies and timeline, EOHHS shall require MTM to submit a weekly written status update.

Please do not hesitate to reach out to myself or Acting Deputy Medicaid Program Director, Mark Kraics (Mark.Kraics@ohhs.ri.gov) if you have further questions about the noted actions and requests of MTM through this Memorandum.

Sincerely,



Kristin Sousa, Acting Medicaid Program Director, EOHHS

ATTACHMENTS: EOHHS Corrective Action Plan Template v.1.2