

HEALTH LAW NEWS

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NEED A LYFT TO SEE YOUR DOCTOR? ARIZONA MEDICAID WILL NOW COVER RIDESHARING SERVICE

Recently, Lyft announced that its ridesharing service is now considered a covered benefit under the Arizona Medicaid program. This announcement follows implementation of new Arizona Medicaid regulations allowing "rideshare" companies to enroll as non-emergency medical transportation providers.

Under the policy, participating Medicaid patients can request to schedule non-emergency medical transportation to ensure access to routine appointments and other medically necessary, non-emergent services. In order to schedule the requisite transportation services, Medicaid members are to contact their health care plan to request service. The plan then analyzes the patient's needs to determine the appropriate method of transportation for the patient. Arizona is the first state in the country to partner with a rideshare company to offer transportation services to its beneficiaries. Notably, Texas and Florida have recently passed similar legislation. These efforts mark a shift in Medicaid covered benefits, signaling that public payors are addressing the social determinants of health under their health plans as transportation is the key to unlocking patient access issues.

The use of third party rideshare transportation services in the health care industry is not a new phenomenon. Many providers are beginning to engage rideshare services to provide transportation to established patients. Rideshare services enable providers to offer transportation without the need to obtain vehicles and hire drivers, allowing providers to establish a patient transportation program with minimal start-up costs required. Despite the increasing availability of these services, providers should be mindful of the implications of the federal fraud and abuse laws, including the Anti-Kickback Statute ("AKS") and Civil Monetary Penalties Law.

An important concept to both of these statutes is that no purpose of the transportation should be to influence Medicare, Medicaid or other federal health care program beneficiaries to choose a particular provider or to otherwise direct referrals of federal health care program patients to a particular provider. If a health care provider desires to make ridesharing services available to patients, it is recommended the services comply with the requirements of the AKS Local Transportation Safe Harbor. This safe harbor requires that the transportation not be advertised, that luxury vehicles not be used for patient transport and that the transportation provider should not be compensated on a per-patient basis. Additionally, services should only be offered locally and should be made broadly available to patients within the provider's primary service area without regard to the patient's diagnosis or payor status. A more detailed discussion of how to structure compliant patient transportation arrangements is available here.

If you have any questions or would like additional information on this topic, please contact:

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