October 20, 2022

Cynthia Smolens
Arizona Health Care Cost Containment System
801 E Jefferson Street
Phoenix, AZ 85034

Re: Letter of Clarification Response for Solicitation #YH23-0003 Travel Related Services Reimbursement

Dear Ms. Smolens:

Medical Transportation Management, Inc. (MTM) is pleased to respond to AHCCS' clarification letter regarding our proposal for the Travel Related Services Reimbursement RFP. Our responses are provided on the following pages.

AHCCCS may continue to communicate with our principal contact for the proposal:

Contact: Amy Ritchie, Vice President of Proposals
Phone: 636-695-5634 **Email:** aritchie@mtm-inc.net
Address: 16 Hawk Ridge Drive, Lake St. Louis, MO 63367
Fax Number: 636-561-2962

On behalf of MTM, I look forward to the potential for MTM to be selected for the operation of AHCCCS' travel related service reimbursement program and to a long-term partnership with AHCCCS. If you have any further questions, please do not hesitate to reach out.

Sincerely,

Alaina Maciá

Alaina Maciá, President and CEO
314-495-4953 | amacia@mtm-inc.net

Letter of Clarification, YH23-0003, Travel Related Services Reimbursement RFP

1. Payment Detail

Pertaining to Section 5.3.1.1 of the Special Instructions to Offerors, "Describe your process and details of payment to a vendor or hotel, including method of payment and time frames." and MTM's response:

A. Payment Timeframe

Is MTM paying providers at the time of service or booking?

MTM's payment to providers depends on the service type:

- **For airfare and rail transport**, MTM pays for the service at the time of booking, typically with a credit card.
- **For lodging**, MTM reserves and confirms the booking in advance, but payment is made when the stay is complete. Payments for lodging are typically made via credit card, but may also be made via virtual credit card or direct billing via invoice, depending on the arrangement with the lodging facility.
- **For ground transportation**, MTM pays providers after the service is performed. Providers invoice MTM for the service provided and we issue reimbursement via ACH or check. In some limited situations, and upon provider request, MTM provides payment via credit card.
- **For meals and per diem payments**, MTM issues the Member or approved escort a reloadable debit card which we fund as appropriate. Initial card delivery takes approximately 7-10 days. We fund cards daily as services are approved or claims are authorized, depending on client protocols. As long as we receive authorization for the services, AHCCCS can determine whether the funds are released at the time service is requested, within a certain timeframe of the appointment date, or as a reimbursement after service is rendered and verified. We can release funds within 24-48 hours of a funding request.

B. Paying Service Providers

What is MTM's process for paying service providers?

As noted in ***Section 1A*** above, our process for paying service providers varies by service type. Airfare and rail transportation are paid at the time of booking, lodging is paid when the stay is complete, and ground transportation is paid after the service is complete and an invoice is received. Meals and per diem reimbursements can be paid in advance, at the time of service, or after service is rendered and verified, depending on AHCCCS preference. Most payments are made via credit card or ACH, with the exception of reimbursement to Members and escorts which is made by funding a reloadable debit card.

C. Payment Process Alignment

Is MTM able to align their payment process to AHCCCS?

> *The AHCCCS Division of Fee For Service Management (DFSM) processes prior authorization requests with accompanying medical necessity supporting documentation. DFSM requests a minimum of 72 hours to process the request. In certain medically necessary circumstances, prior authorization may be requested urgently and require an urgent same day request from both DFSM and vendor. After obtaining prior authorization from the DFSM Case Management team, the vendor would submit payment requests to DFSM Claims following the timely filing requirements.*

Yes, MTM is willing and able to align our payment process to AHCCS and will follow the timely filing requirements outlined here. MTM assumes we can bill for service rendered at least monthly, or more frequently if allowed.

D. Payment Processes

What is MTM's process for paying for meal cards, lodging accommodations to vendors, and transportation provided such as commercial air?

Please see ***Section 1A*** above for an overview of our payment process by service type.

2. Per Diem Payments

Pertaining to Section 5.3.1.2 of the Special Instructions to Offerors, "Describe your process and details of payment of meal per diem to a Member and/or escort including method of payment, and timeframes for both standard and same day/urgent requests."

A. Card Issuance Timeframes

Can MTM do last minute issuance of the currency debit card due to medical necessity, if so, what is the process and what is the timeframe of card delivery for both an urgent/same day requests and a standard non-urgent request?

If the Member or escort has received services in the past and already has an MTM-issued debit card, we can add funds immediately. If the Member or escort does not already have a card, the standard timeframe for delivery of the reloadable debit card is 7-10 days. Our preference for urgent requests would be to issue the card per the standard delivery timeline with the understanding that the payment would arrive after the appointment. The Member or escort would still be able to access those funds as reimbursement.

We can explore alternative options such as direct bank transfer or overnighting reimbursement cards if ACHHS requires, as a standard procedure or on a case-by-case basis, but this is not included in our base administrative rate, and we would bill ACHHS separately for any additional fees for "rush" delivery or funds transfers.

B. Currency Debit Card Use

Explain the exact process of how the currency debit cards are able to be used?

MTM issues a Visa debit card to each eligible Member and/or escort. The cardholder must activate the card and select a Personal Identification Number (PIN). The card can then be used anywhere Visa is accepted to pay for goods and services with or without cash back, and to withdraw cash at ATM machines. Funds can only be added by MTM; the cardholder cannot directly add funds to their own card. We provide a welcome packet with the card which provides detail on how to activate the card, how to use it without fees, and a phone number and web address that cardholders can use to check the balance.

C. Card Restrictions

Can MTM cash cards be restricted, as needed, to prevent Members from withdrawing cash from meal cards?

MTM is not proposing restricted cash cards at this time. If AHCCCS requires or desires card restrictions, we are open to discussing options in more detail. In some other programs, MTM has restrictions based on vendor category, for example, limiting purchases only to public transit passes. For the purposes of this program, we did not provide pricing for purpose-restricted cards.

Members will have the ability to withdraw cash from their meal cards. In cases where reimbursement is issued after services are rendered, this provides Members and escorts the ability to use the reimbursement as needed, or to withdraw cash. The lack of restrictions aligns with the benefits of per diem payments; Members and escorts can use the funds for any type of cost associated with their travel. Further, this approach reduces confusion and complaints from cardholders and eliminates the need to issue multiple cards to the same individuals to cover various service types.

3. Escort Per Diem Payments

Pertaining to Section 5.3.1.3 of the Special Instructions to Offerors, "Describe your method of making the additional $50 per diem payment to an escort meeting the established requirements (not Member's family Member/Member of household)."

> *Would MTM issue a separate card for payment of the per diem and meals to an Escort when applicable?*

Yes, MTM will issue a card to any authorized payee. This includes a separate card for escorts when appropriate and authorized by AHCCCS.

4. Unregistered Providers

Pertaining to Section 5.3.1.7 of the Special Instructions to Offerors, "Describe your process for making payment to unregistered transportation providers, authorized by AHCCCS, to provide medically necessary transportation."

> *Does MTM make payments to unregistered providers at the time of service or booking in the event of airfare?*

As noted in ***Section 1A*** above, MTM's payment timeframes vary by service type. Those timelines apply to both registered and unregistered providers. Specifically for airfare, MTM makes payments at the time of booking.

In the event of a cancellation after airfare is booked, the ability to obtain a refund depends on the airline. In some cases, the airline issues a refund in travel funds, which we would apply to a future trip with the same Member, or another Member served by AHCCCS. We are willing to work with AHCCCS to determine the best use of any refunded travel funds.

5. Pricing Breakdown

Pertaining to the Price Sheet received from MTM: "Proposed Administrative Fee: Provide your agency's administrative flat fee per trip and a detailed breakdown of how it was developed."

> *Please provide a detailed breakdown of the costs for the expenses that make up the $50.00 Administrative Cost. AHCCCS would like assurance that MTM has included all necessary fees associated with the Administrative Cost.*

MTM provided a $50.00 Administrative Cost for services under this contract. Please note that this is an estimate of the average cost for services requested in the scope of work. We used this format for ease of billing. The actual administrative cost breakdown will vary significantly based on the type of service requested. For example, some requests will be higher-touch and require multiple services to be arranged. Our charge is per request received; for services with multiple components, we will still only bill one fee.

Our administrative costs cover all expenses except those paid to a vendor/provider. Our fee was developed based on our experience providing similar services; year to date in 2022, MTM has arranged and reimbursed over $1 million dollars in air travel and lodging alone. MTM assures AHCCCS that our proposed administrative fee includes all necessary fees and is appropriate for the services outlined in the scope of work.

Our administrative fee consists of direct costs (approximately 85% of our fee) and indirect overhead costs (approximately 15% of our fee). A breakdown of this fee is provided below:

Direct Costs:

- Salary and benefits for the following direct support teams:
    - Ancillary services team booking hotels, flights, and meals
    - Accounting team paying providers and/or members
    - Client services support
- Mailing/Postage
- Card issuance fees for member reimbursement

Overhead Costs:

- Salary and benefits of corporate support (e.g. Operations, HR, Finance, Technology, Legal, etc.)
- Technology licenses
- Insurance
- Facilities
- Travel
- Other general and administrative expenses