

# STATE OF CONNECTICUT



**PERFORMANCE AUDIT**  
*Department of Social Services and Veyo*  
*Non-Emergency Medical Transportation*

**AUDITORS OF PUBLIC ACCOUNTS**  
JOHN C. GERAGOSIAN ❖ ROBERT J. KANE

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*Acronyms*

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<b>Acronyms or Abbreviations</b>	<b>Definition</b>
3PO	Third-Party Transportation Operator
APA	Auditors of Public Accounts
ASO	Administrative Service Organization
CMS	Centers for Medicare and Medicaid Services
DSS	Connecticut Department of Social Services
GPS	Global Positioning System
HIPPA	Health Insurance Portability and Accountability Act
KPI	Key Performance Indicator
MAPOC	Medical Assistance Program Oversight Council
MFP	Money Follows the Person Program
NEMT	Non-Emergency Medical Transportation
NOA	Notice of Action Letter
IDP	Independent Driver Program
OIG	Office of Inspector General
SPA	State Plan Amendment



Performance Audit Highlights

Non-Emergency Medical Transportation

**Background**

The purpose of this audit was to assess the efficiency and effectiveness of Connecticut’s Non-Emergency Medical Transportation (NEMT) broker Veyo, and the DSS oversight of NEMT and administration of the state Medicaid program. The audit examined the arrangement and delivery of transportation services, adequacy of the transportation network, complaint handling, and DSS’s use of sanctioning Veyo to incentivize better contract performance.

Approximately 59% of NEMT trips are completed by bus, 32% by taxi or livery, 7% by wheelchair van, and 2% by mileage reimbursement.

Veyo introduced an Uber-like model of delivery in which Veyo independent drivers (Veyo IDPs) supplement the more traditional taxicabs and livery vehicles. The Veyo IDPs have grown from less than 1% of completed NEMT trips to 5% in August 2019. Veyo IDPs operate under different rules and provide NEMT primarily in the Hartford and New Haven counties.

**Key Findings**

1. DSS does not specify certain requirements of the DSS-Veyo contract such as percentage of call center agents to be located in Connecticut and the definition of abandoned calls
2. Veyo changes statistics, sometimes retroactively, without explanation in its monthly reports to DSS, including its calculation of percent of on-time trips, which raises concerns about the accuracy of some of the reported information
3. Veyo stopped providing certain data without explanation in its monthly reports to DSS, including detailed transportation provider performance and trip removal and data correction statistics
4. Veyo does not always remove drivers who do not meet requirements, and inconsistently uses and tracks corrective action plans
5. Veyo does not record all complaints, accurately substantiate certain complaints, or promptly resolve complaints
6. An estimated 79% of members receiving Veyo NEMT services submitted medical necessity forms to override Veyo’s decisions about transportation to medical providers outside the permitted mileage range or the assigned mode of transportation.
7. DSS rarely imposes sanctions for the times Veyo fails to meet contractual performance standards

**Recommendations**

We developed 59 specific recommendations to help strengthen Connecticut’s Non-Emergency Medical Transportation. In general we recommend:

- DSS should amend future contracts to clarify certain requirements that are currently unclear or open to interpretation
- DSS should require Veyo to explain any changes in monthly report calculations and review the Veyo monthly reports more carefully
- DSS should require Veyo to explain when it stops including information in its monthly reports
- Veyo should immediately remove all drivers posing a risk from servicing members, more consistently use provider corrective action plans, and submit documentation monthly to DSS on corrective action plan tracking
- DSS should require Veyo to record, accurately substantiate, and promptly investigate and resolve all complaints
- DSS should require Veyo to reduce the percentage of members having to submit medical necessity forms to reduce the administrative burden on members and healthcare providers, while complying with federal guidelines.
- DSS should regularly review Veyo’s performance, issue sanctions when Veyo does not meet contractual standards, and develop strategies to maximize the effectiveness of sanctions

View the full report, including management’s responses, by visiting [www.cga.ct.gov/apa](http://www.cga.ct.gov/apa)  
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# STATE OF CONNECTICUT



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February 19, 2020

## AUDITORS' REPORT

### Audit Objectives

In accordance with the provisions of Section 2-90 of the Connecticut General Statutes and Generally Accepted Government Auditing Standards, we have conducted a performance audit of Non-Emergency Medical Transportation (NEMT) services. The audit focuses on the functions of the NEMT broker (Veyo) and the Department of Social Services (DSS) oversight and administration of the Medicaid program. The scope of our audit included, but was not necessarily limited to, January 1, 2018 to June 30, 2019. We based this performance audit on the following objectives:

1. Assessing the efficiency and effectiveness of the transportation scheduling process by the Veyo call center
2. Evaluating Veyo's transportation service and performance
3. Assessing the adequacy of the NEMT network of providers
4. Evaluating Veyo's handling and reporting of complaints
5. Assessing the adequacy of Veyo's process to qualify recipients for modes of transportation
6. Evaluating the Department of Social Service's oversight of Veyo including the use of sanctions

### Methodology

We used multiple sources and methods to conduct this performance audit, including a review of relevant state statutes, federal regulations, the DSS-Veyo contract, and written policies and procedures pertaining to Non-Emergency Medical Transportation provided by Veyo in areas such as: a) Veyo's process to qualify recipients for a particular mode of transportation; b) transportation scheduling process; c) complaint handling process; and d) minimum standards or performance goals established for NEMT and Veyo.

To assess transportation service including network adequacy, Veyo's handling and reporting of complaints and grievances, adequacy of Veyo's process to qualify recipients for mode of transportation, and use of the DSS sanctioning process, we conducted in-person and telephone interviews with:

- Department of Social Services employees,
- Veyo employees,
- Connecticut General Assembly Offices of Legislative Research and Fiscal Analysis,
- Medical providers,
- NEMT client,
- NEMT transportation providers, and
- Client advocacy organizations such as the Center for Children’s Advocacy and the Connecticut Legal Rights Project.

We analyzed Veyo-provided raw call center data, trip information, and complaints. We also observed activities at the Veyo call center in Windsor. Through this methodology, we obtained an understanding of internal controls that we deem significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We conducted our audit in accordance with the standards applicable to performance audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence we obtained provides such a basis.

The accompanying background is presented for informational purposes. This information was obtained from interviews, observations, and data provided by key stakeholders and was not subject to the procedures applied in our audit of the program and department. For the areas audited, we determined/identified the following:

1. DSS does not specify certain requirements of the DSS-Veyo contract such as percentage of call center agents to be located in Connecticut and the definition of abandoned calls
2. Veyo changes statistics, sometimes retroactively, without explanation in monthly reports to DSS, including its calculation of percentage of on-time trips, which raises concerns about the accuracy of some of the reported information
3. Veyo stopped providing certain information without explanation in monthly reports to DSS, including detailed transportation provider performance and trip removal and data correction statistics
4. Veyo does not always remove drivers who do not meet requirements, and inconsistently uses and tracks corrective action plans
5. Veyo does not record all complaints received, accurately substantiate certain complaints, or promptly resolve complaints
6. An estimated 79% of members receiving Veyo NEMT services submitted medical necessity forms to override Veyo’s decisions about transportation to medical providers outside the permitted mileage range or in the assigned mode of transportation.
7. DSS imposes sanctions for a fraction of the times Veyo fails to meet contractual performance standards

The State Auditors' Findings and Recommendations in the accompanying report presents any findings arising from our audit of Non-Emergency Medical Transportation.

## **PROGRAM BACKGROUND**

### **GENERAL BACKGROUND**

For more than 50 years, federal regulations have allowed states to provide transportation to non-emergency medical appointments for eligible Medicaid recipients. As specified in the State Plan Amendment, the Department of Social Services (DSS) provides Non-Emergency Medical Transportation (NEMT) using the least expensive, medically-necessary type of transportation that meets the beneficiary’s mobility status, personal capabilities, and medical needs. In 1998, Connecticut began using contracted brokers for this program. Through a recent competitive bidding process, DSS entered into a contract with Total Transit, Inc., the parent company of Veyo, to provide specific services for the NEMT program from January 1, 2018 through December 31, 2020. Veyo completed over 4 million NEMT trips in 2018.

Medicaid recipients are required to get to their medical appointments using transportation resources that are already available to them. If no transportation resources are available, the broker must ensure that the lowest cost resources are used first. The priority order of mode of travel is: walking, public transit, mileage reimbursement, ambulatory, and wheelchair transport. There are about 850,000 Medicaid recipients in Connecticut and approximately 24,000 (3%) use Veyo’s NEMT services in a given month.

Under the contract with the previous NEMT vendor, LogistiCare, DSS paid the transportation costs for broker-arranged trips. Veyo operates under a capitated system in which it must primarily arrange and pay the transportation costs from a per member per month payment. Veyo also introduced an Uber-like model of delivery in which it uses independent drivers (Veyo IDPs) to supplement the more traditional taxicab and livery vehicle contracted transportation providers (3POs). **Exhibit 1** shows that nearly two-thirds of NEMT trips arranged by Veyo occur by public transit. There has been an increase in use of Veyo IDPs and mileage reimbursement and a decrease in transportation provided by 3POs.

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**Exhibit 1. Percent of Trips Completed by Mode**

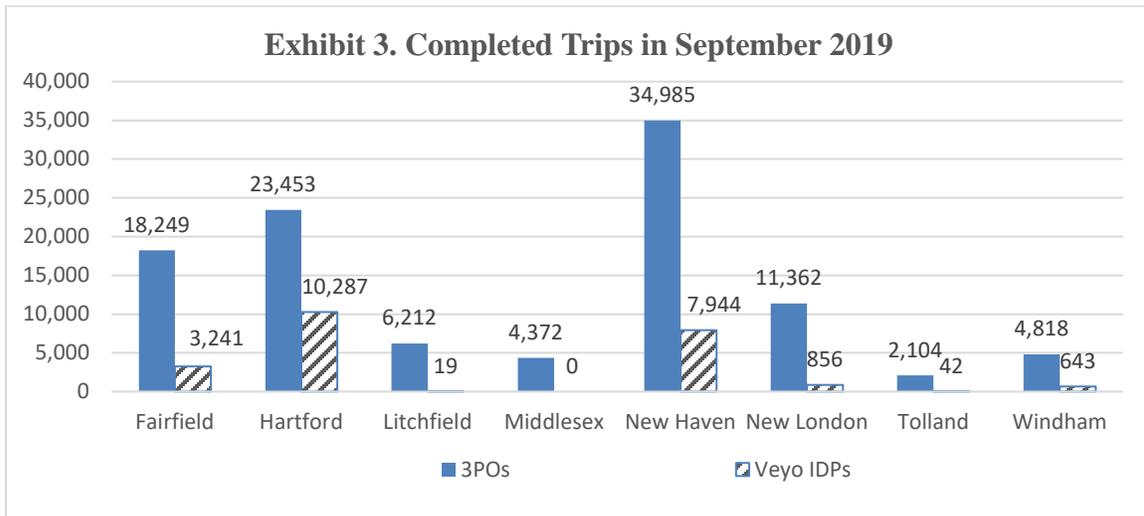
<b>Mode of Transportation</b>	<b>January 2018</b>	<b>July 2018</b>	<b>January 2019</b>	<b>July 2019</b>
Taxi/livery (3POs)	31.1%	29.7%	30.3%	21.7%
Veyo IDPs	0.3%	0.7%	1.5%	4.6%
Mileage Reimbursement	0.4%	2.0%	2.8%	3.8%
Public Transit (bus)	60.8%	60.9%	59.0%	63.9%
Wheelchair	7.4%	6.7%	6.4%	6.0%

**Exhibit 2** shows some of the Veyo IDP and 3PO guideline differences.

**Exhibit 2. Comparison of Veyo Independent Drivers (Veyo IDPs) and Contracted Providers (3POs)**

Area	Veyo IDPs	3POs
Established key performance indicators (KPI)	No	Yes
How trips are assigned	By availability shortly before pick-up time	48 hours in advance
Allowable skip rate (non-acceptance of trips)	30%	5%
Manual to follow	Connecticut Independent Driver Provider Manual	Veyo NEMT Transportation Provider Manual
Veyo may impose corrective action plan	No	Yes
Convenience fee may be paid when member is a no-show	Yes	No
Wheelchair accessible vehicles	No	Yes
Provide service for trips originating in Litchfield County (rural county)	No	Yes

The 3POs and Veyo IDPs complete trips in different counties. Using September 2019 trip data, the most current available information, we found 79% of the 23,032 trips completed by Veyo IDPs originated in Hartford or New Haven counties (**Exhibit 3**). The 3POs provided 105,555 trips that originated in all 8 counties and, excluding mileage reimbursement and public transit rides, performed 69% to 100% of completed trips in a given county.



Examining January 2019 scheduled trips originating in New Haven County, the 3POs and Veyo IDPs also have different no-show and cancellation rates (**Exhibit 4**). This is possibly attributed to how Veyo assigns the 3POs and Veyo IDPs trips and pays for member no-shows.

Exhibit 4. No-Show and Cancellation Rates for January 2019 Trips Originating in New Haven County

<b>Provider Type</b>	<b>Member No-Show</b>	<b>Transportation Provider No-Show</b>	<b>Member Cancellation</b>	<b>Facility Cancellation</b>
Veyo IDPs	12.2%	0%	8.3%	0.2%
Contracted 3POs	5.6%	0.2%	14.4%	2%

## UNNECESSARY CONTRACTUAL REQUIREMENTS

The Department of Social Services selected Veyo to be the state’s broker for NEMT services and signed a 3-year, 87+ page contract to provide non-emergency medical transportation beginning January 2018. The contract specifies scope of services, contract performance, budget, reporting, and other requirements.

**Finding 1:** The DSS-Veyo contract has certain requirements that are not currently adhered to that may be addressed through other contractual requirements or are not necessary.

We reviewed the DSS-Veyo contract and found that Veyo stopped reporting on the contractually required number of trips, no-shows, and late statistics for each individual transportation provider in February 2019; however, DSS received feedback from the Medical Assistance Program Oversight Council (MAPOC) and legislators that the monthly reports were too long and needed to be streamlined. We also found that Veyo does not update member mobility status for each trip; however, Veyo updates member’s transportation requirements for each trip. Therefore, requiring both pieces of information is redundant.

Veyo transportation subcontractors must submit monthly reports of member complaints; however, the current system requires a member or medical facility to register the complaint. We also found that the DSS-Veyo contract specifies that Veyo produce a semi-annual detailed transportation provider subcontractor report. Veyo is not producing these reports and DSS told us it typically asks for this information when necessary.

Lastly, Veyo is not adhering to the contractual requirement to provide Medicaid-specific training to call center employees, but DSS did not think such training was necessary.

*Recommendation:* The Department of Social Services should amend future broker contracts to eliminate the following requirements:

- Monthly report on detailed provider information;
- Daily computerized trip log’s member mobility status;
- Requirement that transportation subcontractors send Veyo monthly reports of member complaints;
- Semi-annual transportation provider subcontractor report; and

- Requirement for Veyo to provide Medicaid-specific training to call center staff. (See **Recommendation 1.**)

*Veyo Response:* “Veyo has no comment regarding this finding.”

*DSS Response:* “DSS neither agrees nor disagrees with this recommendation. DSS will take this recommendation under consideration.”

**CALL CENTER PERFORMANCE**

Veyo established a call center in Windsor, Connecticut. Approximately 60 Veyo employees work at the center answering calls from members and facilities; scheduling and dispatching trips; training call center agents, dispatchers and independent drivers; receiving and investigating complaints; processing medical necessity forms; and overseeing the registration and monitoring of transportation providers.

**Finding 2:** Although the DSS-Veyo contract requires the NEMT program to be staffed by Veyo employees located in Connecticut, we find the majority answering calls are located out-of-state.

The DSS-Veyo contract requires member services for the Connecticut NEMT program to be staffed by Veyo employees within the state of Connecticut. We found that 74% of calls for Connecticut’s NEMT program were answered by Veyo staff located in Arizona or Pennsylvania (**Exhibit 5**).

<b>Exhibit 5. Location of Veyo Personnel Answering Calls During January 2019</b>			
<b>Location</b>	<b>Answered during Regular Business Hours</b>		<b>Total Calls Answered</b>
	<b>Yes</b>	<b>No</b>	
Connecticut	26,229 (95%)	1,410 (5%)	27,639 (26%)
Pennsylvania	66,415 (99.7%)	232 (0.3%)	66,647 (62%)
Arizona	5,378 (42%)	7,335 (58%)	12,713 (12%)
<b>Total</b>	98,022 (92%)	8,997 (8%)	106,999 (100%)

*Recommendation:* The Department of Social Services should amend future contracts to specify the percentage of calls that must be answered by employees located in the state of Connecticut. (See **Recommendation 2.**)

*Veyo Response:* “The majority of Veyo employees who work on the Connecticut contract are located in the state of Connecticut and that has been the case since the start of the contract. Veyo employs over 100 employees in our Connecticut Veyo location, 52 of whom are dedicated to the call center. The number of call takers fluctuates, and there are many other operational and member service functions, the majority of which take place in the state of Connecticut. Our Connecticut-based staff numbers exceed what was committed to in our RFP response. Moreover, we feel strongly that Veyo is

appropriately meeting the needs of HUSKY Health members through local staff, and also benefiting from flexible wrap-around coverage through out-of-state Veyo call centers. In July, 2019 Veyo started tracking the percentage of Connecticut call center minutes that our Connecticut staff handle, as compared with calls handled by out-of-state staff. Veyo’s Connecticut call center staff has handled 50% of the total Connecticut call center minutes.” As additional background, Veyo notes that the contract (page 11) explicitly allows some Member services staff to be located out of state. While January 2019 was one point in time, in the second half of the year, Veyo increased the proportion of calls handled within the state. The proportion of calls handled in state in recent months has been above 50%, both in terms of calls and minutes.”

*DSS Response:* “DSS understands and recognizes the importance of staffing the NEMT program in Connecticut and the current contract does require a robust business presence in Connecticut, including member services staff. DSS believes that Veyo meets this requirement and that the contract as written provides an effective means of optimizing support for members. This flexibility allows the broker to accommodate the needs of Spanish speakers, keep up with high call volume, and meet the needs for after hours and weekend calls. DSS will review the contract and consider amending the contract to specify a percentage of calls to be answered by employees in Connecticut and/or a specified percentage of call center agents to be physically located in Connecticut. That will eliminate any potential ambiguity or confusion about call center physical presence in Connecticut, while continuing to optimize support for members.”

*Auditors’ Concluding Comments:* We found that 74% of calls examined were answered in Arizona or Pennsylvania, when the contract requires they be answered in Connecticut.

**Finding 3:** Veyo must provide members with written information on fixed route transportation. Veyo reports it is not providing this information to clients, which does not comply with the DSS-Veyo contract.

Veyo is required to provide written information and training to clients on access and use of NEMT, including information on fixed route transportation (i.e., bus routes). Veyo reports it is not providing this written information to members; however, nearly two-thirds of current NEMT trips are by bus.

*Recommendation:* The Department of Social Services should require Veyo to provide members with written information on bus routes. **(See Recommendation 3.)**

*Veyo Response:* “Veyo believes that it is complying with our current contractual requirements regarding this issue by posting information within our on-line Member’s Handbook. That said, Veyo will work with DSS to identify additional information that will be provided to members who utilize fixed route transportation. Veyo will update the member website and the Member’s Handbook with additional information.”

*DSS Response:* “DSS’ current contract with Veyo provides that, “the Contractor shall provide written information and training to Members on how to properly access and use non-emergency medical transportation resources. The training may also include a program to prepare Members on the use of the fixed-route transportation system.” [Section I.8.C] The Department considers Veyo to be compliant with this contract section because Veyo provides information to members through a Member’s Handbook that is posted on its website. That being said, DSS agrees that members would benefit from written material related to the use of NEMT services and will work with Veyo to identify additional information that will be provided to members who utilize fixed route transportation.”

*Auditors’ Concluding Comments:* We are still concerned that members may not have access to necessary bus information. Not all members have access to the Veyo website. Veyo could supply the information when it transmits bus passes to clients.

**Finding 4:** Although the contract requires Veyo to report information on calls received by its call center during *normal business hours*, Veyo reports on *all* calls. This does not comply with the contract.

Veyo is contractually required to report monthly on all incoming calls received during normal business hours. Veyo combines information for calls received both within and outside of normal business hours. Calls received outside of normal business hours are answered more quickly and are less likely to be abandoned, favorably impacting 2 key performance indicators for Veyo. However, this procedure appears to have been acceptable to DSS for the January 2018-June 2019 time period under review.

*Recommendation:* The Department of Social Services should amend future contracts to include the combined reporting of calls received both within and outside of normal business hours. **(See Recommendation 4.)**

*Veyo Response:* “Veyo’s reporting has been updated to reflect this recommendation, both retrospectively and ongoing.”

*DSS Response:* “Veyo is reporting on all calls received by the Veyo Call Center, which includes calls received during normal business hours. DSS does, however, support the reporting changes implemented by Veyo and will monitor to ensure compliance. DSS will consider amending the contract to require the

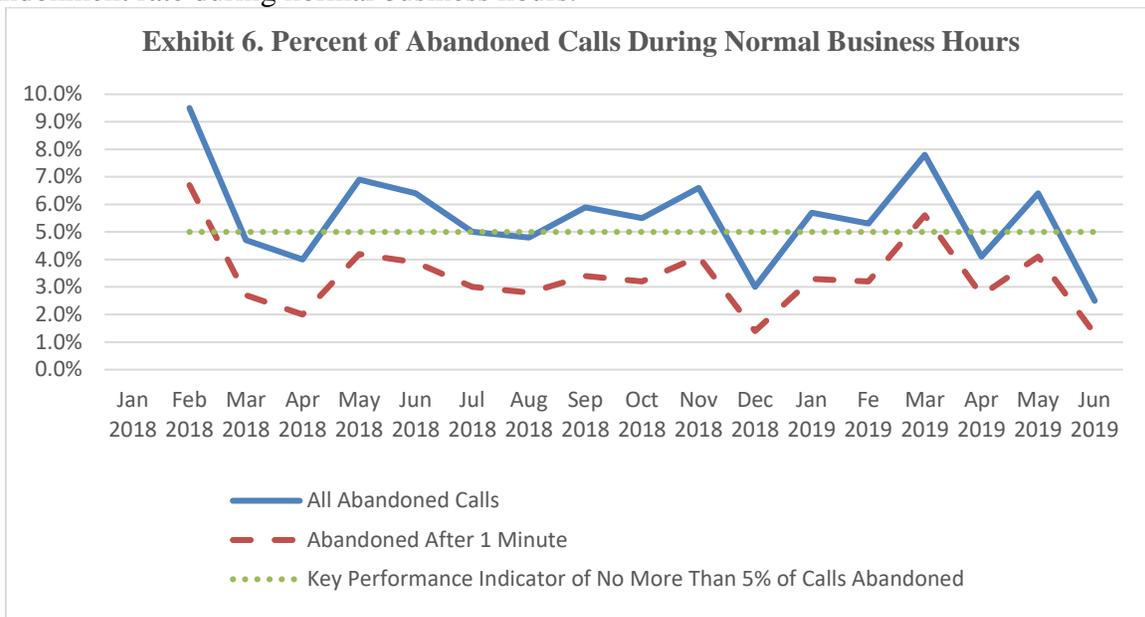
broker to delineate calls received during normal business hours and those received after hours.”

*Auditors’  
Concluding  
Comments:*

We reiterate that a change may be necessary in future contracts to specify if the reporting is for all calls or just calls received during business hours. In addition, we are concerned that Veyo and DSS appear to disagree on the reporting requirement. We believe that the future contract should be amended to address this issue.

**Finding 5:** The DSS-Veyo contract does not define “abandoned calls” and Veyo interprets abandoned calls inconsistently in its calculations, creating confusion in the DSS monthly reports.

While the DSS-Veyo contract requires Veyo to have an abandonment rate of less than 5% of calls received during normal business hours, there is no definition of what constitutes an abandoned call. Veyo sometimes defines abandoned calls when the caller hung up within 15 seconds, 60 seconds, 180 seconds, or in any amount of time. **Exhibit 6** shows if all abandoned calls are included, Veyo has not consistently met the key performance indicator rate of <5% abandonment rate during normal business hours.



**Recommendation:** The Department of Social Services should amend future contracts to define what constitutes abandoned calls and when they are to be included in other monthly report calculations. (See **Recommendation 5.**)

**Veyo Response:** “Veyo’s reporting has been updated, both retrospectively and ongoing, effective September 2019, to follow the standard 60-second abandoned call definition.”

*DSS Response:* “DSS agrees with this recommendation. DSS agrees that the abandonment rate should be clearly defined and set at 60 seconds within the contract and in operational policies and procedures.”

**Finding 6:** Veyo takes longer to answer calls from Spanish-speaking clients, providing a lower level of service to those clients.

During normal business hours, Veyo must answer 80% of all incoming calls within 3 minutes. Approximately 8% of members who call into Veyo press a number that routes their calls to Spanish-speaking call center agents. Compared with 10% of English-speaking callers, 30% of Spanish-speaking callers waited more than 3 minutes for assistance during normal business hours in January 2019. Callers requesting assistance in Spanish during regular business hours were also more likely to be served by an Arizona call center agent. **(Exhibit 7).**

<b>Exhibit 7. Location of Call Center Agent for English and Spanish-Speaking Callers</b>				
<b>Language</b>	<b>CT Call Center</b>	<b>Arizona Call Center</b>	<b>Pennsylvania Call Center</b>	<b>Total # of Calls</b>
English	24,360	412	66,415	91,187
Spanish	1,869	4,966	0	6,835
<b>Total</b>	26,229	5,378	66,415	98,022

*Recommendation:* The Department of Social Services should require Veyo to add more Spanish-speaking call center agents to match its service to English-speaking clients. Future contracts should require the separate reporting of key performance indicators for Spanish and English-speaking clients. **(See Recommendation 6.)**

*Veyo Response:* “At any given time, Veyo has 25-30 agents with Spanish language capacity working on its phone lines. 99.9% of our Spanish language calls are handled internally, but for the exceptional circumstance in which such a call must be handled by another agent, agents have immediate access to language line interpretation services to provide assistance to members.” Veyo believes that it is in compliance with the contractual requirements related to call center metrics.”

*DSS Response:* “DSS neither agrees nor disagrees with this recommendation. DSS will review the data to assess this finding and, based on that review and assessment will consider the recommendation of the Auditors.”

*Auditors’ Concluding Comments:* We are still concerned that Spanish-speaking members are not receiving comparable service.

**Finding 7:** Veyo assigns a 0-second call answering speed for abandoned calls, and erroneously includes abandoned calls when calculating the average time to answer calls.

We find Veyo calculates the average time to answer calls by including abandoned calls (coded as 0 seconds to answer), erroneously reducing the average call wait time. When we pointed out this error to Veyo employees, they agreed to exclude abandoned calls from this calculation going forward.

*Recommendation:* The Department of Social Services should amend future contracts to exclude abandoned calls from the calculation of average time to answer calls to the Non-Emergency Medical Transportation call center. (See **Recommendation 7.**)

*Veyo Response:* “This issue was identified and remedied in September of 2019. All reporting has been updated to adhere to this recommendation, both retrospectively and ongoing, effective September of 2019.”

*DSS Response:* “DSS agrees with this recommendation. DSS considers this finding to be addressed and will continue to monitor to ensure compliance. DSS will consider this recommendation in future contracts.”

**Finding 8:** Veyo gives members a confirmation number when they request a trip. However, the confirmation number does not indicate that Veyo has assigned the trip and the transportation provider has accepted it, creating confusion for members.

Veyo uses a confirmation number to reference calls between the member and Veyo Call Center agent. We have been told that members believe the confirmation number means their trips have been confirmed and that transportation providers will arrive to pick them up for their medical appointments.

*Recommendation:* The Department of Social Services should require Veyo to use the term “call reference number” instead of the current “confirmation number.” (See **Recommendation 8.**)

*Veyo Response:* “The term “Confirmation Number” will be replaced with “Call Reference Number” in all member-facing materials and communications.”

*DSS Response:* “DSS agrees with this recommendation. DSS will monitor Veyo’s replacement of “Confirmation Number” with “Call Reference Number” by March 31, 2020.”

## TRIP SERVICE AND PERFORMANCE

Veyo is contractually required to produce monthly summaries of performance that include handling of calls to the Veyo call center, trip data, transportation provider performance, and complaints. The reports include previous months of data so that trends may be observed.

**Finding 9:** Veyo does not adhere to the DSS-Veyo contract by not including the percentage of trip verifications, discovered improprieties, or a list of the most costly clients in monthly reports. Additionally, Veyo does not record the type of trip origin location and destination.

Veyo informed us that it has the ability to track the percentage of trip verifications, discovered improprieties, and a list of the most costly clients, but that DSS has never requested this information. Reporting this information, along with recording the type of trip origin location (e.g., member home, community center, or nursing home) and destination (e.g., medical office, hospital, or dialysis center), would be useful for monitoring performance and may assist DSS or Veyo identify process improvements.

*Recommendation:* The Department of Social Services should require Veyo to report on the percentage of trip verifications, improprieties that were discovered, and a list of the most costly clients, and record the type of trip origin location and destination. **(See Recommendation 9.)**

*Veyo Response:* “Veyo will update the report due January 20, 2020 to reflect the data points referenced above and will continue to provide this information to DSS on a monthly basis. Veyo will work with DSS to appropriately identify and report this data element and will update the report due January 20, 2020.”

*DSS Response:* “DSS agrees with this recommendation. DSS will continue to monitor to ensure implementation and compliance.”

**Finding 10:** Veyo includes Money Follows the Person trips in its trip data and reporting for Non-Emergency Medical Transportation, inflating the number of reported trips.

Veyo is required to record the medical service associated with each trip. Using the Veyo raw data, we calculated that for each month’s trips, 40-50% are for drug rehabilitation, about 20% for behavioral health, about 10% to see a specialist, and about 6% for dialysis. Psychiatric services, primary care visits, and physical therapy each make up approximately 3% of trips. Veyo includes Money Follows the Person (MFP) as a category under medical service associated with each trip. This is inaccurate because MFP trips are not required to be medical related.

We randomly selected 10 trips Veyo listed as MFP in the month of January 2019. The 10 trips were to private residences (3), real estate offices (2), apartment complexes (2), a senior housing complex (1), the Department of Motor Vehicles (1), and the Social Security Administration (1). Although the percent of MFP trips is just 1.4% of those completed in January 2019, it is inaccurate to include the trips in the NEMT program.

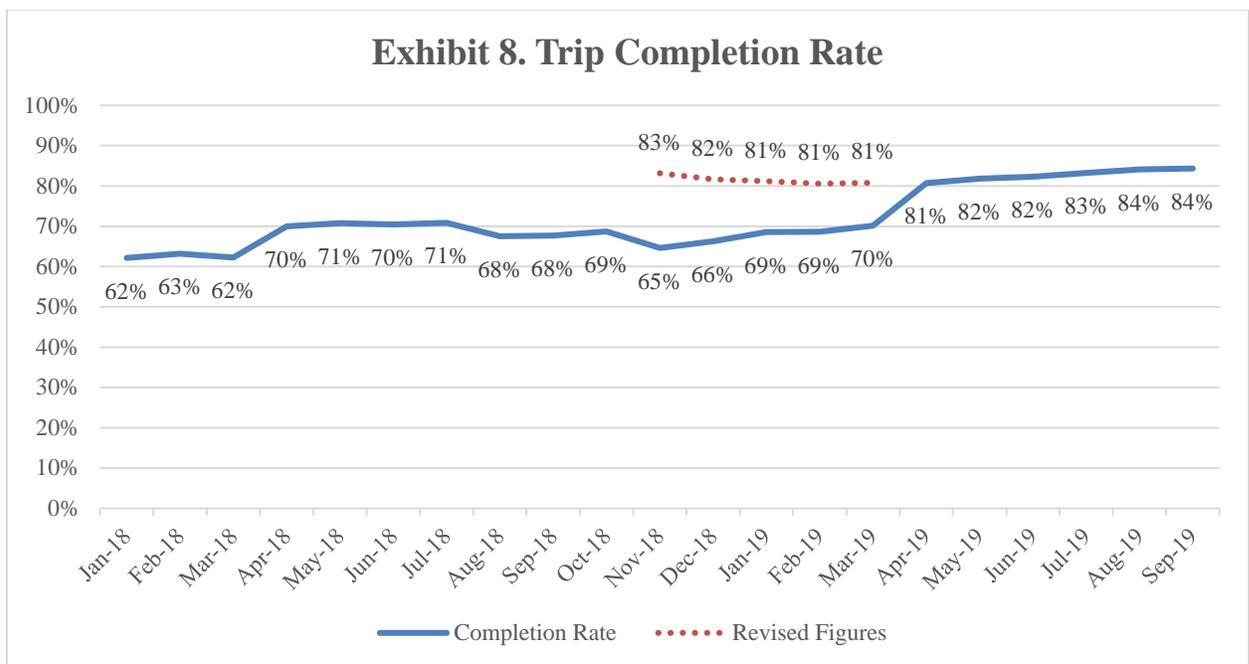
*Recommendation:* The Department of Social Services should require Veyo to report Money Follows the Person Program trips separately from Non-Emergency Medical Transportation trips. (See **Recommendation 10.**)

*Veyo Response:* “Veyo has addressed this by including MFP data in our monthly reporting to DSS, retroactive to the beginning of 2019.”

*DSS Response:* “DSS agrees with this recommendation. DSS will continue to monitor to ensure compliance.”

**Finding 11:** In April 2019, Veyo retroactively decreased the number of booked trips, suggesting there are inaccuracies in the Veyo monthly reports provided to DSS.

Each monthly report includes the statistics for each of the six prior months on the current report. In April 2019, Veyo retroactively decreased the number of booked trips reported from November 2018 to March 2019 and appears to have changed its method of counting booked trips starting in April 2019 (**Exhibit 8**). Veyo did not explain these retroactive calculation changes in its reports.



*Recommendation:* The Department of Social Services should require Veyo to explain any changes in report calculations of booked or completed trips in the Veyo monthly reports. (See **Recommendation 11.**)

*Veyo Response:* “DSS, Veyo and the 2018 NEMT Working Group mutually agreed to revise the reported data to exclude trips that: 1) were never assigned to a

transportation provider as a result of having been cancelled by members or facilities; or 2) represented duplicate entries. All changes in reporting or report calculations were made in collaboration and agreement with DSS.”

*DSS Response:* “DSS agrees with this recommendation. DSS agrees that there is a need for advance, mutual agreement regarding any changes to previously reported data. DSS concurs with Veyo’s response and confirms that DSS was fully on notice of the rationale for these changes. The NEMT Workgroup process through which this was done, was public and transparent, and the changes were mutually agreed upon by DSS, Veyo and stakeholders.”

*Auditors’ Concluding Comments:* The information could not be publicly viewed by readers of the Veyo monthly reports.

**Finding 12:** Veyo currently defines on-time percentage for NEMT trips in a way that is unrelated to the member’s scheduled pick-up time. This calculation does not adhere to the contract’s transportation performance standards.

According to the contract, wait time for A-Leg trips (pick-up from home), should not exceed 15 minutes beyond the scheduled pick-up time. Veyo informed us that this definition changed in March 2019, and trips are now considered late only if members do not arrive on time for their medical appointments. Since on-time percentages are unrelated to scheduled pick-up times, members waiting more than 15 minutes for scheduled A-Leg pick-ups are no longer being classified as late pick-ups. This revised definition does not comply with the DSS-Veyo transportation performance standards.

*Recommendation:* The Department of Social Services should require Veyo to report transportation performance standards in accordance with the Department of Social Services-Veyo contract. (See **Recommendation 12.**)

*Veyo Response:* “Veyo and DSS have collaborated extensively over the past year on the most appropriate and effective means of measuring on-time performance. The current metric, effective as of August, 2019, reflects those mutually agreed-upon standards, which focus on whether members arrived at their appointments on time.”

*DSS Response:* “DSS disagrees with this recommendation. DSS’ current contract with Veyo defines on-time pick-up as including a wait time of not more than fifteen minutes before and fifteen minutes after the scheduled pick up time, and also states that, “a Member, under no circumstances, shall arrive more than thirty (30) minutes prior to an appointment, unless this is done at the Member’s request.” This definition is intended to ensure timeliness and to provide for flexibility based on members’ preferences. Many members request a pick up time well in advance of the time that Veyo’s system

calculates it will take to arrive at the appointment on time. Over the course of the contract period with Veyo, DSS agreed with Veyo that the definition of a timely pick-up should be based on whether the member arrived to his or her appointment on time. This is a more person-centered measurement than is the current contract language. DSS will continue to monitor and measure Veyo's on-time performance to ensure that Members arrive at their appointments on time."

*Auditors' Concluding Comments:*

DSS and Veyo changed the metric defining "on-time" trips 3 times without reporting the changes to the public. Those changes left the impression of improvements that did not occur. This is summarized in **Exhibit 10**.

**Finding 13:** If the Department of Social Services transitions to a new NEMT broker, it should not make the change in the middle of winter due to the increased likelihood of poor weather conditions.

Trip completion rates are lowest in months that winter weather may be a concern. As DSS reported in an April 2019 NEMT update, transitioning from one broker to another in January is challenging due to the likelihood of poor weather.

*Recommendation:* The Department of Social Services should have a July or October start date for the Non-Emergency Medical Transportation contract. (See **Recommendation 13**.)

*Veyo Response:* "Veyo has no comment regarding this finding."

*DSS Response:* "DSS agrees with this recommendation. It is important to note the Department was directed in legislation to procure for HUSKY Health NEMT services in a specific time frame."

**Finding 14:** Veyo reports every trip as an individual, non-shared ride and does not maintain information on multi-passenger trips. Therefore, Veyo is not able to ensure that immunocompromised members are not being multi-loaded, or that multi-loading is not adding more than 30 minutes onto the average travel time.

By contract, Veyo is allowed to have more than one passenger in a vehicle. This could include two members leaving the same apartment complex and traveling to nearby destinations. However there are restrictions on this type of multi-loading for certain types of members. The Veyo raw data lists every trip as an individual trip. When questioned, Veyo reported that its data codes every trip that way, because it cannot identify if providers are multi-loading. The providers decide whether to multi-load, which may depend on their schedule.

*Recommendation:* The Department of Social Services should require Veyo to develop a system to track multi-loaded trips and routinely check that these trips meet the contract's standards. (See **Recommendation 14**.)

*Veyo Response:* “Veyo will create a new data reporting metric to capture the number of no multi-load requests and the number of multi-load trips that are fulfilled.”

*DSS Response:* “DSS agrees with this recommendation. Veyo will create a new data reporting metric to capture the number of no multi-load requests and the number of multi-load trips that are fulfilled. DSS and Veyo shall also determine if it is feasible to measure whether a trip that has been appropriately multi-loaded increased the Member’s ride time by 30 or more minutes.”

*Auditors’ Concluding Comments:* The contract requires that multi-loading cannot add more than 30 minutes onto the average travel time.

**Finding 15:** Early pick-ups are not considered on time pick-ups in the Veyo monthly reports. Veyo counts them with the provider’s late pick-ups, leading to inaccurate reporting.

Veyo’s tracking system does not include adequate information on early trips. Contractually, members may arrive more than 30 minutes early for an appointment by request. However, Veyo reports that it does not have the capability to track these requests. In addition, when verifying the on-time trip percentages in the Veyo monthly reports, we were told that pick-ups that are more than 15 minutes early are not considered on time pick-ups. Veyo reports these trips as late for the provider, which is misleading.

*Recommendation:* The Department of Social Services should amend future contracts to require Veyo to report on early drop-offs separately. (**See Recommendation 15.**)

*Veyo Response:* “The current metric reflects standards of timeliness that were mutually agreed upon by DSS and Veyo, and which importantly focus on whether members arrived at their appointments on time.”

*DSS Response:* “DSS disagrees with this recommendation. DSS’ current contract with Veyo indicates that, “a Member, under no circumstances, shall arrive more than thirty (30) minutes prior to an appointment, unless this is done at the Member’s request.” This is intentionally permissive to allow a Member who so prefers to arrive early for an appointment. DSS is not aware of any Member complaints related to arriving early to an appointment.”

*Auditors’ Concluding Comments:* Early drop-offs are not the same as late pick-ups, and we reiterate that they should be reported separately.

**Finding 16:** Veyo continues to assign prescheduled repeat trips despite being notified by the provider that the member has discontinued the use of the transportation.

We interviewed transportation providers who told us there are frequent issues with Veyo continuing to assign prescheduled repeat trips despite having been notified that the member has discontinued the use of the transportation. These trips are no longer necessary due to a change of address, medical condition, or appointment day or time. A transportation provider informed us that in order to stop being assigned the trip, Veyo required the company to accept the incorrect trip 4 times, and mark the member as a no-show all 4 times. Another transportation provider told us that Veyo would remove the incorrect trips for a few weeks, but then resume assigning the trips several weeks later. Although a transportation provider can refuse to accept an assigned trip, the refusal negatively impacts the provider's acceptance rate, a key performance indicator.

*Recommendation:* The Department of Social Services should require Veyo to develop policies and procedures to handle and implement notification by transportation providers of discontinued prescheduled repeat trips. (See **Recommendation 16.**)

*Veyo Response:* "Veyo defers to the Department regarding this recommendation."

*DSS Response:* "DSS agrees with this recommendation. DSS will work with Veyo on a means of ensuring that it appropriately cancels prescheduling of repeating trips when a member has discontinued use of that transportation."

**Finding 17:** Published on-time trip data differs from percentages found using Veyo's raw data. Veyo also revises on-time trip percentages across monthly reports without explanation.

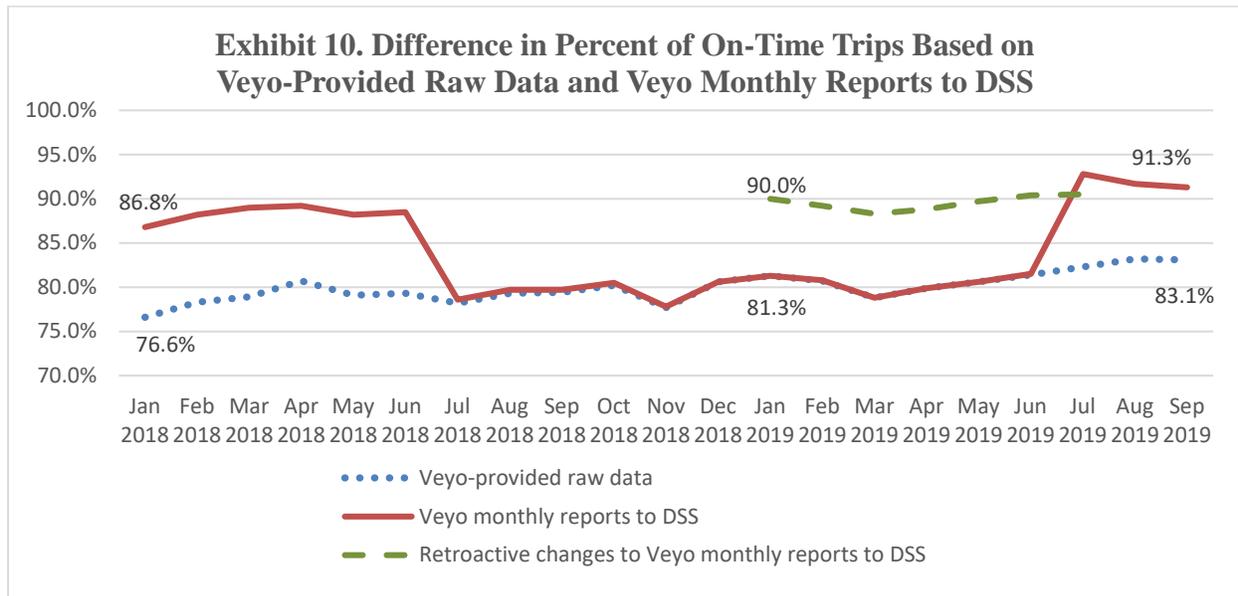
The DSS-Veyo contract defines on time for leg of trip (to appointment (A-Leg), return home (B-Leg)) and scheduled type of trip (scheduled in advance, will call when ready for pick-up from appointment, immediately needs pick-up from hospital discharge), but does not require a minimum on time percentage. The DSS-Veyo contract provides for possible performance incentives if on time pick-ups are at least 95%.

We compared the late trip percentages reported for 3POs in the Veyo monthly reports with percentages calculated using Veyo's raw data. For 10 randomly selected third-party transportation operators (3POs), Veyo monthly reports have significantly lower percentages of late trips compared to those we calculated using the Veyo raw data (**Exhibit 9**).

**Exhibit 9. Difference in Veyo and Auditor Results for Monthly Percent of Late Trips**

3PO	January 2018		April 2018		July 2018	
	Veyo	Auditors	Veyo	Auditors	Veyo	Auditors
A	18%	25%	15%	28%	20%	31%
B	9%	29%	6%	24%	7%	36%
C	11%	18%	10%	18%	9%	15%
D	10%	22%	12%	23%	10%	21%
E	17%	34%	20%	37%	22%	38%
F	26%	36%	25%	37%	19%	36%
G	12%	23%	12%	23%	13%	23%
H	16%	32%	26%	40%	25%	41%
I	13%	28%	13%	25%	14%	25%
J	10%	17%	12%	23%	11%	21%

Veyo monthly reports include statistics for at least 6 months prior to the current month of the report. In July 2018, Veyo appears to have changed its on-time percent calculations to match the Veyo-provided raw data (**Exhibit 10**). In July 2019, Veyo retroactively increased the monthly on-time percentages reported for January-June 2019. The monthly reports do not explain these changes.



**Recommendation:** The Department of Social Services should require Veyo to explain any changes in monthly report calculations of on-time trip percentages. (See **Recommendation 17.**)

**Veyo Response:** “Veyo acknowledges that data integrity and interpretation are very complex and Veyo made and will continue to make adjustments to its data for valid reasons, but always in collaboration with DSS. Valid reasons may include the results of work group discussions on how to more accurately interpret

data, the removal of duplicate trips, implementation of new technology and related metrics, and re-booking of a trip due to member request/issue, etc. Veyo notes that not all changes result in a more positive metric related to Veyo’s performance. All Veyo reports are available to the public and Veyo is happy to field inquiries related to these reports”

*DSS Response:* “DSS neither agrees nor disagrees with this recommendation. Data is dynamic, not static. Veyo is adjusting data in an appropriate and acceptable manner, for valid reasons, including those noted above for updates to monthly reports.”

*Auditors’ Concluding Comments:* We found that Veyo changed the data to show more positive results. It is important that Veyo accurately reports this information. Veyo should explain any changes in on-time trip percentage calculations in its monthly reports so that readers are informed and understand the reasons for the changes.

**Finding 18:** The percentage of on-time and late trips Veyo reported to DSS total more than 100%, suggesting inaccuracies.

We find that the Veyo monthly report of on-time and late trip percentages total more than 100% (**Exhibit 11**).

<b>Exhibit 11. On Time and Late Percentages Reported Monthly by Veyo</b>			
<b>Month</b>	<b>On Time %</b>	<b>Late %</b>	<b>Total %</b>
Feb 2019	91.7%	19.2%	110.9%
Mar 2019	91.1%	21.2%	112.3%
Apr 2019	91.5%	20.1%	111.6%
May 2019	92.2%	19.4%	111.6%
Jun 2019	92.7%	18.5%	111.2%
Jul 2019	92.8%	17.7%	110.5%
Aug 2019	91.6%	16.8%	108.4%
Sep 2019	91.3%	16.9%	108.2%

*Recommendation:* The Department of Social Services should review the Veyo monthly reports more carefully and question Veyo when on-time and late trip information appears inaccurate. (**See Recommendation 18.**)

*Veyo Response:* “Due to an agreed-upon change in the calculation of certain metrics, Veyo’s monthly reports were updated to reflect the agreed-upon changes. Veyo acknowledges that there was an oversight when updating this specific section of the report to reflect the new metrics, and can confirm that the report has since been corrected.”

*DSS Response:* “DSS neither agrees nor disagrees with this recommendation. DSS will review the data used by the auditors to reach this recommendation and take the appropriate action based on that review. It is standard practice for DSS to review the monthly reports and, as necessary, to seek clarification from Veyo to ensure a complete and common understanding of the reported data. DSS will continue that practice.”

**Finding 19:** We find examples of questionable recording of trip status data, leading to concerns about the accuracy of some of Veyo’s reported information.

Key stakeholder interviews and Veyo’s raw trip data provide us with examples of questionable recording of trip status data. For example:

- A member undergoing chemotherapy treatment waited 5 hours beyond their scheduled pick-up time for a trip home. The medical facility overheard the member’s spouse contacting Veyo 5 times asking where the ride was, and was told 5 times that the ride was on the way. The facility verified the 5 calls through viewing the spouse’s cell phone records. When the facility subsequently called Veyo on behalf of the member, Veyo told a facility employee that the member cancelled the ride, and that Veyo had no record of the calls.
- A member requires frequent wheelchair transportation to dialysis treatment. The transportation is arranged by the facility where the member resides. A substantiated complaint from the facility reported that Veyo frequently sent transportation that could not accommodate a wheelchair. Veyo repeatedly failed to send the correct mode of transportation and coded the status of the trips as “removed” due to “incorrect information.” Of the 70 trips scheduled for this member in January 2019, Veyo recorded 30 of 61 dialysis appointments as removed, cancelled (6) or deleted (5).

Greater oversight by DSS could reduce the recording of potentially incorrect trip status information.

*Recommendation:* The Department of Social Services should monitor Veyo’s recording of trip status data more closely. (**See Recommendation 19.**)

*Veyo Response:* “Veyo acknowledges that there can be challenges in mapping anecdotal information with raw data. Veyo highly regrets the errors that appear to have been made in these incidents. It does point out, however, that when trip information is corrected, the system automatically generates new trip records with the correct info and will mark the replaced trips that contain incorrect information as removed. While an extremely small percentage of trips contain data errors, Veyo acknowledges that correcting trip information can still be subject to human error and is constantly refining its training, technology, and communication to reduce error rates. Its

RideView facility product and member SMS confirmation systems released this quarter will assist in providing more transparency and error prevention capability. Veyo agrees to work collaboratively with DSS to continue to identify further improvements determine if there are and better tracking mechanisms going forward.”

*DSS Response:* “DSS neither agrees nor disagrees with this recommendation. DSS will undertake its own review of the data reviewed by the auditors and will take appropriate action to ensure the accurate reporting of data.”

**Finding 20:** Veyo does not meet the contractual requirement to collaborate with DSS medical, dental, and behavioral health administrative service organizations to assist clients under the age of 21.

Veyo is required by contract to collaborate with the medical, dental, and behavioral health administrative service organizations (ASOs) for the care of members under age 21. Although Veyo does collaborate with the ASOs in some cases, it does not have a policy in place to ensure collaboration for clients under the age of 21.

*Recommendation:* The Department of Social Services should require Veyo to develop policies and procedures for collaboration with the Department of Social Services’ medical, dental, and behavioral health administrative service organizations to assist clients under the age of 21. **(See Recommendation 20.)**

*Veyo Response:* “Veyo maintains a strong relationship with DSS’ medical, dental, and behavioral health ASOs, and meets with them quarterly to review any feedback or concerns and outline the needs of specific members, including but not limited to members under 21 years of age, in compliance with the current contract. Veyo continues to work closely with the ASOs to resolve any issues that may arise. ”

*DSS Response:* “DSS believes it is more suitable for DSS to develop and implement a policy and procedure for collaboration between Veyo and the HUSKY Health ASOs as DSS is responsible for the coordination of transportation services for individuals under the age of 21 in accordance with Early and Periodic Screening, Diagnostic and Treatment (EPSDT) requirements.”

**Finding 21:** Veyo requires transportation providers to file their claims for reimbursement within 7 days of completing the trip. If the provider does not file within 7 days, Veyo does not reimburse for the trip. In addition, Veyo excludes these trips from the total number of completed trips and reports them as cancelled, leading to an inaccurate count of NEMT trips.

Transportation providers that do not use the Veyo driver cell phone application must manually mark trips completed on the Veyo web portal, a process that Veyo refers to as finalization. Transportation providers have 7 business days to finalize their trips. If the provider does not finalize a trip within 7 business days, Veyo does not pay the provider and counts the trip as cancelled. Since these trips occurred, it is inaccurate to exclude them from the NEMT trip count.

*Recommendation:* The Department of Social Services should require Veyo to include all trips that occurred in its total number of completed trips, including trips the transportation providers have not finalized. **(See Recommendation 21.)**

*Veyo Response:* “Veyo uses a trip-claim reconciliation system that requires providers to “close out” claims in a timely fashion. This provides critical benefits to the system: 1) better visibility on how many trips are being completed; 2) a much higher likelihood of trips being closed out accurately; 3) timely data for reporting; and 4) lower risks for fraud, waste, and abuse. Trips not finalized account for less than 3% of total cancellations and if the provider has not closed out the trip as “completed”, it is likely that the trip did not occur. In the rare event that a trip was actually completed but not finalized by the provider, Veyo has worked with providers to ensure they are able to finalize and get paid for those trips. In such cases, the cancelled trip will appear as a completed trip in the subsequent monthly data report.” This is another example demonstrating the complex nature of data analysis and interpretation without context.”

*DSS Response:* “DSS agrees with this recommendation. DSS agrees that the current approach to reporting trips may be resulting in an undercount of completed trips by Veyo. DSS and Veyo have established a data workgroup and this finding will be added to the data that is being reviewed, monitored and validated by that group.”

**Finding 22:** Veyo’s member no-show rate of approximately 3% is triple the LogistiCare member no-show rate of approximately 1%.

During January to June 2017, LogistiCare reported a monthly average of 1% member no-shows out of all booked trips. In comparison, during January to June 2019, Veyo reported a monthly average of 3%. LogistiCare required drivers to wait up to 15 minutes before declaring a passenger

a no-show. However, under Veyo, drivers only wait 5 minutes. The shorter wait time may have contributed to the higher no-show rates.

*Recommendation:* The Department of Social Services should amend future contracts to require a wait time of 10 minutes before declaring a member to be a no-show for the Non-Emergency Medical Transportation trip. (See **Recommendation 22.**)

*Veyo Response:* “Veyo fully supports the recommendation to change the wait time from 5 minutes to 10 minutes.”

*DSS Response:* “DSS agrees with this recommendation. DSS will amend the contract and operating policies to reflect this change.”

**Finding 23:** Veyo stopped reporting trip removals and data corrections in March 2019, and is therefore out of compliance with the quality assurance program.

In its monthly reports, Veyo defines trip removal and data corrections as “trips that have been cancelled prior to the requested trip date. During the implementation phase, many of these trips are invalid trips that get cancelled during our data cleaning process in an attempt to reduce the number of “bad trips” being sent to providers. These trips are not included in the other metrics shown in this report.” The Veyo Standard Operating Procedures include a quality assurance program policy and procedure that requires Veyo to collect and analyze data on requested and completed trips. Veyo reported trip removals and data corrections in the monthly reports from January 2018 to March 2019. Reports after March 2019 do not include a statistic on the number of trip removals and data corrections.

*Recommendation:* The Department of Social Services should require Veyo to include trip removal and data correction statistics in its monthly reports. (See **Recommendation 23.**)

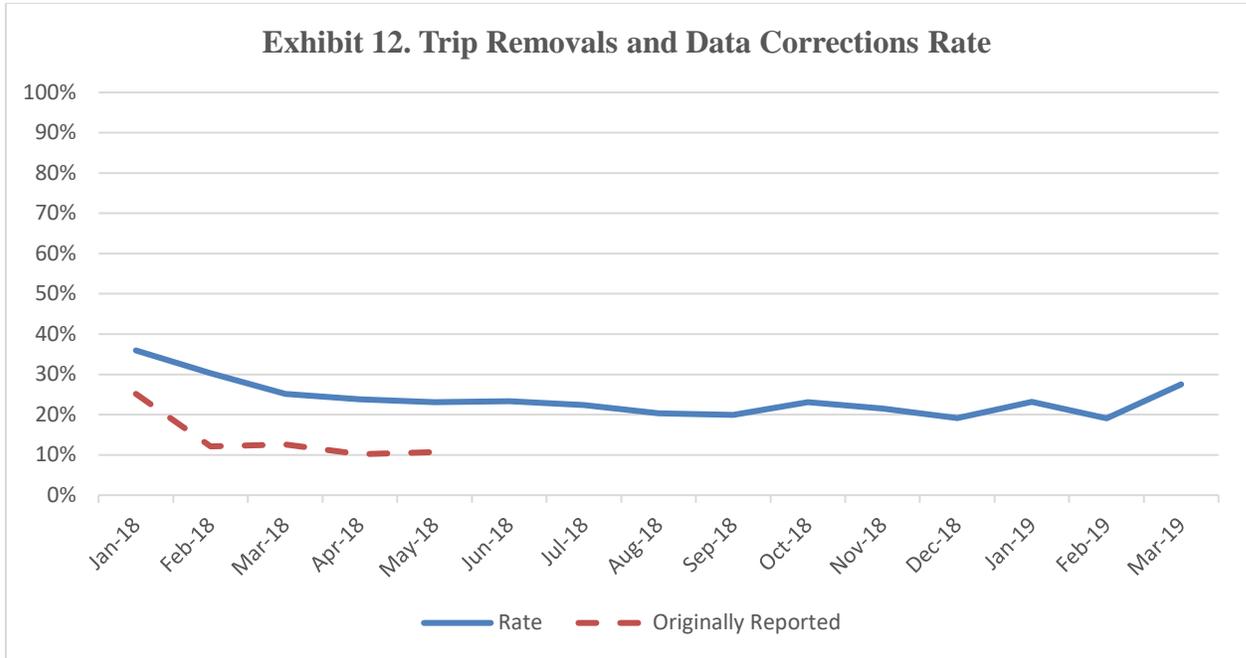
*Veyo Response:* “Veyo updated its monthly data reporting package submission to DSS to include this information effective with the monthly report released on December 20, 2019.”

*DSS Response:* “DSS agrees with this recommendation. DSS will continue to monitor to ensure implementation and compliance.”

**Finding 24:** The rate of trip removals and data corrections has shown little improvement over the course of the year and remains steady at approximately 24%.

The trip removal and data correction figures in the Veyo monthly reports from January 2018 through May 2018 increased significantly in subsequent reports. Since June 2018, the figures Veyo reported remained relatively consistent with nearly 1 in 4 trips being removed or corrected. **Exhibit 12** shows that Veyo has not improved the rate of trip removals and data corrections. Our advanced

data analysis software (Statistical Package for the Social Sciences) allowed us to link complaint data with the associated trip data. It revealed that some removed trips were actually instances in which Veyo could not find transportation providers to complete the trips or incorrectly cancelled the trips. This suggests the inaccurate use of the trip removal/data correction category.



*Recommendation:* The Department of Social Services should assemble a workgroup to identify factors contributing to the trip removal and data corrections and develop recommendations to reduce them. **(See Recommendation 24.)**

*Veyo Response:* “DSS and Veyo have established a data workgroup. This finding and recommendation will be included in the work handled by the data workgroup. The NEMT environment is highly dynamic with constant changes to member information (address, phone number, mobility need), changes to appointment times/dates, changes to eligibility, appointments schedules that end, and members that are hospitalized. Veyo’s data integrity team is constantly working to update trip information, and the high change rate identified is largely a result of these very real world changes. It’s worth noting that early in the contract, Veyo may have erroneously removed a very small number of trips that were intended for dispatch. It has long since updated the system to only allow trips to be removed or deleted before the trip date when the trip has been replaced with corrected information, or when a valid reason for removal was confirmed (such as being cancelled ahead of time by the member). Veyo has made a very significant amount of progress since 2018 in adapting its tracking to the needs and lessons learned in the CT market in collaboration with DSS, and will continue to make adjustments as needed. In addition, its RideView and SMS tracking

products will produce another layer of transparency to members and healthcare facilities that can receive notifications of trip changes and receive advanced trip confirmation. Veyo looks forward to continuing to advance the level of transparency and tracking as the technology leader in the industry.”

*DSS Response:* “DSS agrees with this recommendation. DSS and Veyo established a data workgroup in November 2019. DSS will add this recommendation to that group’s agenda.”

**Finding 25:** Driver arrival for member pick-up is calculated differently if the Veyo driver uses the cell phone application, creating inconsistency in the driver on-time calculation.

Veyo offers a driver cell phone application. The GPS tracking on the cell phone app allows Veyo to track the trip. Veyo counts drivers that use the app as having arrived to pick-up the member when they reach the entrance of an apartment complex. Veyo counts drivers without the app when they reach the member’s apartment. For example, a driver was 12 minutes past scheduled pick-up for a member using the mobile app (considered on time), but 19 minutes past scheduled pick-up without the mobile app (considered late). On-time determination should be consistent for all transportation providers.

*Recommendation:* The Department of Social Services should require Veyo to determine late trips for all transportation providers using the same metrics. (**See Recommendation 25.**)

*Veyo Response:* “Veyo’s mobile driver application allows for more accurate reporting of on-time calculations than traditional self reporting. Currently, 70% of all non-public transit trips in Connecticut are being tracked either through the app or through an Application Programming Interface (API) integration with external dispatch systems. All drivers using the Veyo application or integrated with us through an API are reporting arrival time, which is then used as the basis for the calculation. By contrast, providers that are self-reporting their data use paper trip logs and self report pick-up and drop off times. It is worth noting that the current industry standard for other brokers relies almost exclusively on self-reported provider data for on time percentage. This was the standard in place under the previous brokers in Connecticut, and is still commonplace in other states. The fact that so many trips are now calculated electronically and objectively is a significant accomplishment. Veyo is committed to tracking close to 100% of all trips through the app or integration in 2020.”

*DSS Response:* “DSS agrees with this recommendation. DSS and Veyo share the goal of maximizing the use of the app or API technology by all NEMT providers

to capture information including pick-up and drop off times. At the inception of DSS' contract with Veyo, many stakeholders requested that Department not require the use of the app or the API because of potential added expense to NEMT providers. At this time and to ensure the integrity of program and performance data, DSS is in full support of Veyo's response above."

## **TRANSPORTATION NETWORK ADEQUACY**

The Department of Social Services meets with Veyo each week to assess the adequacy of its transportation network. Department employees spend a few days a week at the Windsor call center. With the assistance of Veyo, DSS employees randomly review trips and follow them through the system. Additionally, when there is a known issue with a third-party transportation operator (3PO) transportation provider, the department performs a physical spot-check of a scheduled ride. DSS employees also go to the client's home and observe the transportation service.

The number of 3POs ranged from a high of 79 (February 2018) to a low of 54 (June 2019), a 32% decrease since the early months of the Veyo contract. The monthly number of 3PO NEMT trips ranged from a high of 141,431 trips (October 2018) to a low of 103,299 (June 2019). From January 2018 through January 2019, Veyo reported monthly on each transportation provider's number of completed trips, no-shows and late trips.

Veyo stopped providing this level of detail in the February 2019 report. DSS informed us that this occurred because legislators, advocates and others requested shorter (17-page) reports than the previous 50-page reports.

**Finding 26:** Veyo is not adhering to the contract requirement to have and maintain a computerized log that includes the availability of other transportation resources.

Veyo is required to have a daily log of other transportation resources. Without such a log, Veyo is unable to comply with the quality assurance section of the State Plan Amendment which requires the broker to verify that the transportation is not covered by other programs.

*Recommendation:* The Department of Social Services should require Veyo to have and maintain a computerized log that includes the availability of other transportation resources. **(See Recommendation 26.)**

*Veyo Response:* "Veyo will work with the Department of Social Services to outline the specific data needed from this request."

*DSS Response:* "DSS agrees with this recommendation. DSS will work with Veyo to comply with this recommendation and will monitor for compliance."

**Finding 27:** Transportation providers are not required to ask for proof of identification prior to transporting the member. This could lead to the potential transport of the wrong member.

We listened to a call center agent take a call in which 2 unrelated members requiring pick-up from the same building at approximately the same time, were inadvertently picked up by the wrong transportation provider to be driven to the address of the other member’s medical appointment. The transportation providers did not ask for member identification when they arrived.

Although Veyo reported that it asks drivers to verbally confirm the member’s name and address of their destination, the example shows that the drivers picked up the wrong members for their trips.

*Recommendation:* The Department of Social Services should modify its contract to have Veyo instruct Non-Emergency Medical Transportation providers to require proof of member identification prior to transporting the client. **(See Recommendation 27.)**

*Veyo Response:* “Veyo fully agrees with this recommendation. The Veyo Transportation Provider Agreement and the Connecticut Independent Driver Manual already require drivers to confirm the identity of the member before transporting them, and Veyo has sent a reminder to transportation providers of this requirement. Additionally, we will be making this a system-wide trip instruction, meaning that it will be attached as a reminder on every trip going forward, effective in February 2020.”

*DSS Response:* “DSS agrees with this recommendation. DSS will consider incorporating this into future NEMT contracts and/or operational policies and procedures.”

**Finding 28:** The contract requires Veyo to immediately remove drivers who do not meet requirements from servicing members. Veyo does not consistently remove drivers. Drivers cannot provide NEMT again until Veyo re-verifies them.

The DSS-Veyo contract states that if Veyo determines a driver poses a risk to members, then Veyo will require the subcontractor to immediately remove the driver from performing NEMT. The Veyo policies and procedures manual states there is zero tolerance for driver behavior such as drug/alcohol use, denying members with service animals, accepting cash, unlawful behavior, and negligent or reckless behavior that threatens member safety. We found instances in which Veyo did not immediately remove drivers who posed a risk to members and permitted them to continue servicing members including:

- There were at least five members who complained to Veyo about drivers and their vehicles smelling of marijuana, and in no instances did Veyo immediately remove the drivers from servicing NEMT members. For example, one member stated that “...the last couple of days that she had driver's that smelled like weed and stated, the driver that she had today was

putting eye drops in their eyes.” The driver’s statement denied this occurred; however, because the cab company did not respond to the request for additional information within 72 hours, Veyo substantiated the complaint. Although the complaint log noted that Veyo placed the 3PO on a corrective action plan, the company was not on Veyo’s list of providers put on corrective action plans, and the provider did not immediately remove the driver from servicing members.

- Complaint lodged by a dialysis facility, stating the facility “...found the member who is blind and had a broken hip just sitting [in a wheelchair] in the lobby when dropped off...” instead of being checked-in with to someone before the driver leaving as per the member’s profile. The complaint was substantiated; however, the cab company did not immediately remove the driver from servicing members.
- There were at least five complaints about reckless driving and members reporting not feeling safe. For example, one member reported fearing for his safety when the driver traveled 80 miles per hour in a 50 mile per hour zone. Veyo substantiated the complaint, but did not immediately remove the driver.

Based on these and other cases in which drivers who pose a risk were permitted to continue providing NEMT, we find Veyo does not consistently remove such drivers.

*Recommendation:* The Department of Social Services should enforce the contractual requirement for Veyo to immediately remove all drivers that pose a risk from servicing members. **(See Recommendation 28.)**

*Veyo Response:* “Veyo works very closely with DSS in reporting and resolving critical incidents, and all drivers involved with such incidents are immediately suspended. Drivers cannot provide NEMT until they are recertified by Veyo (additional training and certification). We will continue to monitor both drivers and providers to ensure any drivers posing threats or risks to our members are immediately terminated from the program. Veyo has also looked at past instances of failure to remove drivers, and the Standard Operating Procedures for the Transportation Provider Network and Quality Assurance teams were updated to strictly outline the process in June, 2019. Veyo regrets any incidents where a serious accusation was made against a driver and there was any delay whatsoever in suspension, even before any investigation could take place. In addition to that, both teams were trained to guarantee that drivers that pose an immediate risk to members are removed from service until the complaint has been investigated and resolved.

Veyo notes that the first example cited by the auditors is factually inaccurate. Per Veyo’s review, it was a single member who submitted three substantially similar complaints on the same day about multiple drivers on different trip dates, not three members complaining about the same driver.”

*DSS Response:* “DSS agrees with this recommendation. DSS will continue to monitor for contract compliance. In addition, DSS will review all complaint and critical event reports to ensure that drivers not meeting contractual requirements are removed. If they are not, Veyo will be sanctioned accordingly.”

**Finding 29:** Veyo may institute a corrective action plan when transportation providers do not comply with their contractual requirements. We find that Veyo does not consistently require corrective action plans for transportation providers with low on-time rates.

Between January 2018 and October 2019, 16 transportation providers were put on at least one corrective action plan because they were not adhering to contractual requirements including trip acceptance, on-time completion, or substantiated complaint rates. We found 3POs without corrective action plans with the same or lower on-time percentages as 3POs on corrective action plans.

*Recommendation:* The Department of Social Services should require Veyo to consistently apply the use of corrective action plans with transportation providers. (See **Recommendation 29.**)

*Veyo Response:* “Effective in January 2020, Veyo will take additional steps to ensure that all providers failing to meet the requirements outlined in Veyo’s subcontract with its transportation providers are placed on Corrective Action Plans and, based on their subsequent performance, managed accordingly.”

*DSS Response:* “DSS agrees with this recommendation. DSS will monitor Veyo’s implementation and compliance with the steps above to ensure better compliance with Veyo’s subcontract with those providers.”

**Finding 30:** From January 2018 through June 2019, Veyo did not have a process for tracking the issuance of corrective action plans to third-party operators. This could inhibit Veyo’s ability to verify that the operators made required improvements.

We requested a complete list of providers that Veyo issued corrective action plans. We received 17 corrective action plans for 16 providers. However, in reviewing complaint information, Veyo occasionally referenced corrective action plans for providers not on the list. When we asked if there were more, Veyo provided us with 4 additional plans. When we asked about missing information such as provider responses, Veyo told us the providers email the response. However, Veyo did not respond to our request for the emails associated with the 4 corrective action plans.

During the time period under audit, it appeared that Veyo did not centrally track corrective action plans. When we brought it to the company's attention, Veyo reported it will be "...using an Accountability Tracking spreadsheet starting next month to ensure we have them all in one place." DSS should also improve its monitoring of corrective action plans.

*Recommendation:* The Department of Social Services should require Veyo to maintain a centralized system to track all corrective action plans issued to third-party operators and submit documentation monthly to DSS on the progress of corrective action plans. (See **Recommendation 30.**)

*Veyo Response:* "As of December 2019, Veyo began to track Corrective Action Plans through a spreadsheet that will be made available to the Department upon request. In addition to this, Veyo will also ensure that documentation for Corrective Action Plans is submitted to DSS monthly, effective January 2020."

*DSS Response:* "DSS agrees with this recommendation. DSS will monitor to ensure implementation and compliance."

**Finding 31:** Individuals appearing on the Office of Inspector General exclusion list are not permitted to receive funding or participate in any federal program. Veyo officials were unaware that the DSS-Veyo contract requires Veyo to check the inspector general's list, leading to the potential disbursement of federal NEMT funds to ineligible vendors.

In other states in which Veyo operates NEMT services, the broker also screens transportation providers using the Office of Inspector General (OIG) exclusion list. Individuals appearing on the OIG list are not permitted to receive any federal program money including CMS/Medicaid funds. Veyo found 2 instances in which it paid transportation providers with employees that appeared on the OIG list. Subsequently, the operators terminated those individuals and the state recouped the funds. Individuals who appear on the OIG exclusion list may have been convicted of program-related crimes, patient abuse or neglect, or felonies related to health care fraud or controlled substances.

Veyo also verifies that individuals receiving mileage reimbursement are not on the OIG list. While this requirement is not in the current DSS-Veyo contract, it is viewed as a best practice.

*Recommendation:* The Department of Social Services should amend future contracts to make it clearer that Non-Emergency Medical Transportation brokers are required to check the Office of Inspector General exclusion list to ensure that Non-Emergency Medical Transportation federal funds are only disbursed to eligible individuals. (See **Recommendation 31.**)

*Veyo Response:* "As a component of our ongoing internal quality review processes, Veyo reviews current driver (third party operators, 3PO, Independent Driver Professionals, IDP, mileage reimbursement, and volunteer drivers, as

applicable) lists and contracted transportation company lists against the Health and Human Services Office of Inspector General List of Excluded Individuals and Entities (LEIE), the System for Award Management (SAM.gov), the monthly CMS preclusion List, and Office of Foreign Asset Control (OFAC) on a monthly basis. Any drivers or companies that appear on the aforementioned lists are immediately disabled from transporting passengers, DSS is immediately notified, and an investigation is initiated by the Veyo Compliance Department. Based on the findings of the investigation, Veyo takes all remediative and corrective actions necessary and notifies DSS of the findings and remediation activities. Refer to *Veyo\_Compliance\_012 HHS/OIG Excluded Individuals and Entities.*”

*DSS Response:* “DSS disagrees with this Finding and Recommendation. Part I and Part II of the contract contain language related to federal exclusion lists. Part I, Section XII, Department NEMT Policies, Section XII.2.B. requires Veyo to screen employees and contracted transportation providers for exclusion from receiving federal funds. In Part I, Section XIV.7.D. the contract permits the Department to impose a sanction if the Contractor uses a transportation provider who has been excluded from the Medicaid or any other federal health care program for fraud or abuse. In Part II.4.d. of DSS’ contract with Veyo, it states that Veyo may not employ or contract with individuals that are barred from receiving federal funds, including, but not limited to parties on the exclusion list of HHS/OIG. Veyo has implemented appropriate procedures to ensure that no federal funds are disbursed to individuals on the exclusion list. .”

*Auditors’ Concluding Comments:* On October 29, 2019, both the Veyo Connecticut Market Director and the Market Operations Manager told us that the contract does not require checking the OIG list, and they think it should be included in the DSS-Veyo contract. Because this requirement was unclear to Veyo officials, we continue to recommend it be made clearer in the contract to avoid payment errors.

**Finding 32:** Veyo would like to increase the use of paratransit programs. However, we find the paratransit companies have lower on-time rates compared to other third-party operators, which could lead to inferior NEMT member service.

The NEMT broker is permitted to use local paratransit service programs. As of September 2019, Veyo is using 4 paratransit companies. Veyo staff informed us they would like to have more paratransit companies provide NEMT. However, we find the percentage of on-time paratransit trips from January 2018 through June 2019 averages 64-65%, which is lower than about 80% of the other third-party providers.

*Recommendation:* The Department of Social Services should not permit Veyo to subcontract with paratransit programs that have on-time rates lower than 75% of all other third-party transportation providers. (See Recommendation 32.)

*Veyo Response:* “Veyo is currently partnering with two paratransit agencies, and expansion to other agencies will be contingent on multiple factors including geography, the needs of the community, and the capacity of the agencies. These two agencies provide much-needed transportation to members and have been a vital part of our network. We are constantly looking to expand our transportation network with safe, reliable, and timely transportation and to address any service gaps in rural areas.”

*DSS Response:* “DSS neither agrees nor disagrees with this recommendation. DSS agrees, first and foremost, that no member should be served by any provider that exhibits poor performance. Veyo’s provider monitoring system is used to monitor the performance of any provider in the transportation network. Any provider, regardless of type, that fails to meet the established performance standards, should be subject to the consequences of failing to meet the terms of its contract with Veyo. Such consequences include, being subject to the development and implementation of a corrective action plan. These consequences would apply to all provider types, including paratransit systems. It is important to note, however, that as a general matter, paratransit is an important means of transportation for individuals with disabilities.”

*Auditors’ Concluding Comments:* We found that lower on-time rates could indicate inferior service. It is important for Veyo and DSS to determine the cause of these differences and work to narrow or eliminate them.

**Finding 33:** Veyo considers some of the Non-Emergency Medical Transportation providers third-party operators, but they are registered as transportation network companies.

Some of the NEMT trips within the contracted providers are completed by the Wisconsin-based company DRM (dba “ARYV”). ARYV is registered in Connecticut as a transportation network company, similar to Uber, Lyft and Veyo IDPs, and it is questionable whether it should be included with the other third-party operators (3POs). Both Veyo IDP and ARYV are registered in Connecticut as Transportation Network Companies (TNCs). Unlike 3POs, TNCs (such as Uber and Lyft) use mobile apps to enable people to secure rides from drivers who use their own vehicles. The 3POs may be placed on corrective action plans.

*Recommendation:* The Department of Social Services should require Veyo to treat all transportation network companies consistently. (See Recommendation 33.)

*Veyo Response:* “Veyo clarifies that all contracted third party transportation providers within the Veyo network, including ARYV, must meet the same credentialing and performance standards and requirements, including, but not limited to, being subject to corrective action plans and penalties, regardless of their licensing classification with the Connecticut Department of Transportation. It does not make any difference whether they are licensed as a Transportation Network Company, a taxi company, a livery company, an ambulance company, and/or any other type of NEMT company. All drivers are required to be credentialed as required by the State, and to submit all credentialing documents (including detailed driver-level documents) to Veyo.” Additionally, there is no prohibition or statute that restricts or excludes the use of TNCs for NEMT services. There are numerous types of licensing standards that have a long tradition in the NEMT program. Veyo believes that there is no basis for this Finding. Additionally, Veyo respectfully requests identification of specific compliance concerns regarding the contract with ARYV.

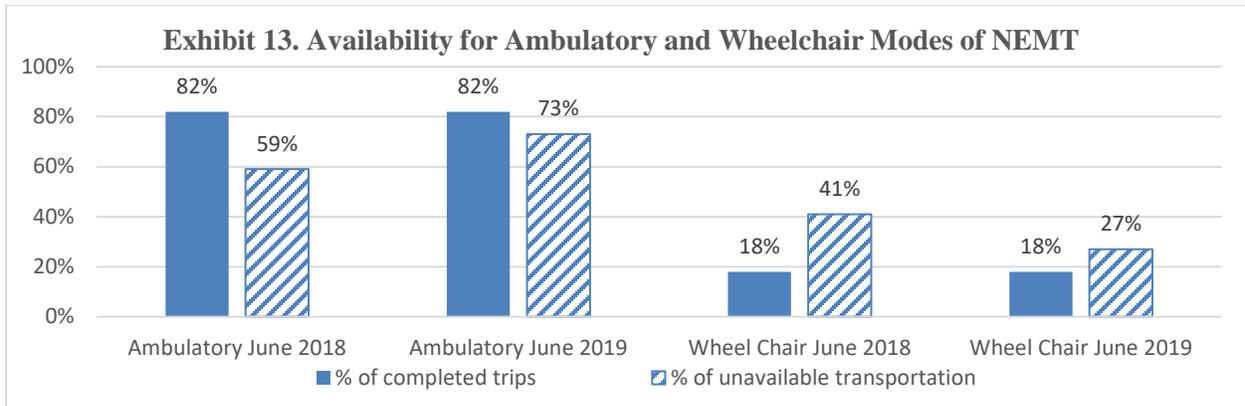
Veyo notes that the auditor’s statement, “Only the 3POs may be placed on corrective action plans” is factually inaccurate. Veyo IDPs that do not maintain a basic level of performance are suspended or terminated from the program. “

*DSS Response:* “DSS neither agrees nor disagrees with this recommendation.”

**Finding 34:** We find that there is a higher than expected incidence of transportation providers unavailable to transport individuals being discharged from hospitals or requiring wheelchair transport.

The number of trips in which Veyo could not locate a transportation provider decreased from a high of 2,070 in January 2018 to a low of 133 in June 2019. Despite this sharp decrease, there continues to be a pattern of wheelchair van shortages.

While less than 1% of completed trips are for hospital discharges, they account for as many as 32% of all trips in which there was no transportation provider available. This may partly be caused by a shortage of wheelchair vans that are often needed for hospital discharges. Examining only ambulatory (taxi/livery) and wheelchair trips in June 2018 and June 2019, **Exhibit 13** shows that Veyo has improved the availability of wheelchair transportation. However, it continues to be a problem.



There have been an average of 29 wheelchair transportation providers picking up members for hospital discharges. From January 2018 through June 2019, Veyo has added new companies, but 5 of the original companies no longer provide NEMT trips.

*Recommendation:* The Department of Social Services should require Veyo to increase the number of wheelchair transport providers to greatly reduce or eliminate the lack of transportation for members being discharged from hospitals or requiring wheelchair transportation. (See Recommendation 34.)

*Veyo Response:* “Veyo acknowledges that when it took over the contract at the beginning of the contract in 2018 there was a shortage of wheelchair transportation. Since that time Veyo has expended a great deal of effort into bringing additional wheelchair providers into the network. Veyo has also worked with all providers to improve performance, with specific emphasis on hospital discharges. Due to these efforts the data validates that there have been tremendous improvements in both of these areas, and Veyo is committed to continue monitoring both of these and will continue to add wheelchair transportation providers to the network as needed.”

*DSS Response:* “DSS neither agrees nor disagrees with this finding and recommendation. DSS will review the data to ensure that there is a sufficient number of wheelchair transport providers in the network.”

*Auditors’ Concluding Comments:* We believe further review on behalf of the agency will help remedy this situation.

**Finding 35:** Veyo does not offer training or provide accompanying materials to third-party operators and their drivers. Veyo asks third-party operators to sign off that drivers completed the required training, but that does not adequately ensure that the drivers actually received the training.

The contract requires drivers to be trained on customer service and child restraint requirements. The state plan amendment requires drivers to be trained on cultural competency and ADA

sensitivity. Veyo told us that third-party operator transportation providers must find appropriate training materials and ensure that every driver completes all of the required training. Veyo verifies that the training occurred by requiring the third-party operator to sign off on the driver's training. However, we were informed that some third-party operators are simply signing off that the driver completed the training rather than spending time and money locating appropriate resources. Driver training may be a weakness in the Veyo model. In an independent evaluation of Veyo's Idaho Non-Emergency Medical Transportation program, the report concluded that there was little training and oversight of the drivers in Veyo's independent driver model.

*Recommendation:* The Department of Social Services should instruct Veyo to administer a knowledge-based test to all drivers to ensure their understanding of all required training prior to allowing drivers to provide Non-Emergency Medical Transportation. **(See Recommendation 35.)**

*Veyo Response:* "We agree with this recommendation, and are redesigning our current process to provide the training materials as well as a knowledge-based test before they are enabled for trips. This will be targeted to launch in February 2020. The statement "Veyo asks drivers to sign off that they completed the required training, but that does not adequately ensure that the drivers actually received the training." Is factually inaccurate. Veyo's third party transportation operators certify that the drivers have completed the training, not the drivers. Veyo follows a procedure which is standard among all brokers nationwide. This same procedure was followed by the previous contractor, and it is in line with the contract. Additionally, Veyo objects to the included reference regarding an "independent evaluation of Veyo's Idaho NEMT program" as it is unclear what this is referring to, the entity that conducted the "independent evaluation," and the methodology used. Further, Veyo's IDP driver training program is separate from the third party transportation operator driver training protocols and any evaluation of IDP training in Idaho would have no correlation with third party transportation operator driver training in CT."

*DSS Response:* "DSS agrees with this recommendation. DSS will monitor to ensure implementation and compliance."

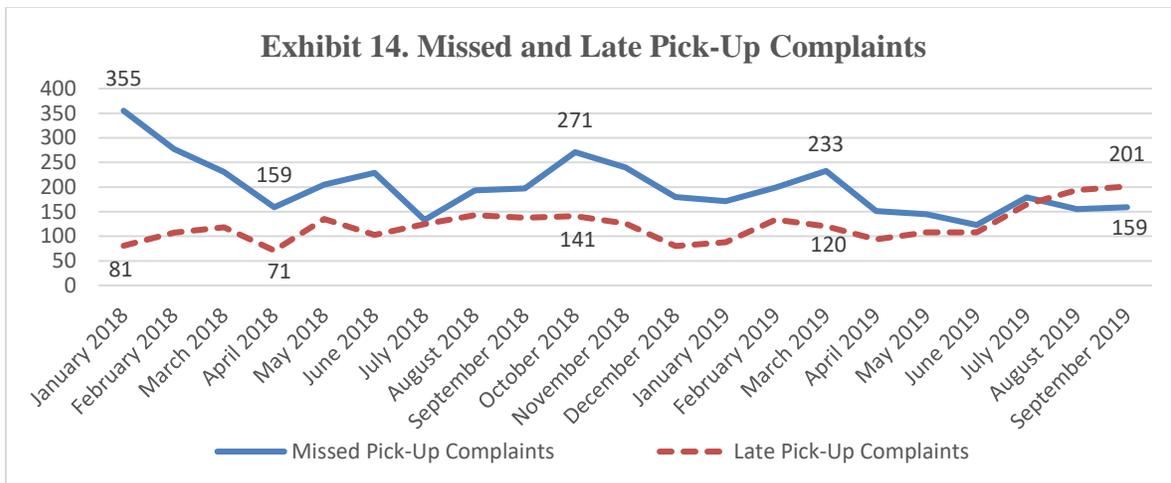
## **COMPLAINT HANDLING**

Veyo uses an electronic system called Salesforce to file and track member complaints. Members must provide a Medicaid member ID in order to file a complaint. According to the Veyo policies and procedures manual, members may file formal complaints 24 hours a day, 7 days a week by telephone, online web form, email, fax, or mail. Facilities may only file complaints on behalf of members in writing.

Members with complaints may call the Veyo call center to try to resolve issues over the telephone. If a member's issues cannot be resolved quickly, the call is transferred to the Veyo

Escalation Unit. If the issues are still not resolved, members may file a formal complaint. The Escalation Unit documents member statements and forwards complaints to the Veyo Quality Assurance Unit. This unit investigates and attempts to resolve complaints and deems them substantiated or unsubstantiated. Veyo summarizes complaint data in its monthly reports to DSS. Veyo reports critical incidents, such as car accidents or issues with members who are minors, to DSS within one hour.

We received data for 10,054 complaints in Veyo’s Salesforce System from January 2018 through September 2019. Veyo substantiated 56% of these complaints. There were an average total of 478 monthly complaints filed over this period. The most frequent types of complaints were for missed pick-ups (42%), late pick-ups (26%), driver issues (11%), and other (12%). Missed pick-up complaints have steadily decreased while late pick-up complaints have increased (**Exhibit 14**).



**Finding 36:** We find that Veyo inconsistently defines complaints, leading to confusion as to what constitutes a complaint.

The Veyo Standard Operating Procedure and the DSS-Veyo contract have different definitions of complaints and grievances. Veyo told us in interviews that there is no difference. For consistency, Veyo would benefit from using the DSS-Veyo contract definition of a complaint.

*Recommendation:* The Department of Social Services should require Veyo to adhere to the contractual definition of a complaint and require Veyo to amend its policies and procedures to match this definition. (**See Recommendation 36.**)

*Veyo Response:* “Veyo will implement additional trainings for our staff on how to identify and appropriately and consistently record all member complaints in January 2020.”

*DSS Response:* “DSS agrees with this recommendation. DSS will monitor to ensure implementation and compliance.”

**Finding 37:** Veyo call center agents are able to resolve most complaints during the initial phone call. Veyo does not count issues resolved by call center agents at time of a call as complaints in Salesforce. Therefore, Veyo is underreporting complaints.

According to Veyo Standard Operating Procedures, call center agents are to resolve complaints or issues at time of telephone call. Veyo told us that it does not enter complaints resolved at time of a call into Salesforce. Regardless of when Veyo resolves a complaint, it should still be deemed a complaint and be counted.

*Recommendation:* The Department of Social Services should require Veyo to record all complaints in Salesforce, even if the complaint is resolved at the time of the initial call. **(See Recommendation 37.)**

*Veyo Response:* “Veyo agrees with the recommendation and is administering additional training to all of our escalation agents to ensure that even if a complaint is resolved, it is entered on Salesforce. This will be completed in January 2020.”

*DSS Response:* “DSS agrees with this recommendation. DSS will monitor to ensure implementation and compliance.”

**Finding 38:** We find instances in which Veyo did not substantiate complaints when there was evidence that it should have.

According to the DSS-Veyo contract, Veyo’s performance is assessed by the ratio of substantiated complaints to total completed trips. Therefore, Veyo has a financial incentive to substantiate as few complaints as possible. Out of the 10,054 complaints filed from January 2018 through June 2019, Veyo substantiated 56% and did not substantiate 44%. Based on the investigative evidence, it is unclear why Veyo did not substantiate certain complaints.

We find examples of complaints that Veyo improperly deemed unsubstantiated. In one instance, a member called Veyo to say that she was in a car accident while in a Veyo vehicle. Police were called and the member was sent to the emergency room. Veyo classified this complaint as unsubstantiated. We question Veyo’s process to substantiate complaints.

*Recommendation:* The Department of Social Services should provide more oversight of the complaint handling process including the accurate substantiation of complaints. **(See Recommendation 38.)**

*Veyo Response:* “Veyo welcomes the opportunity to review complaints that the auditors believe were improperly substantiated and understand the root causes that led to this result. Veyo is also updating our policies and procedures to

prevent future errors, and will also be providing additional training to the staff by January 2, 2020. In ambiguous situations, Veyo staff will be required to substantiate the complaint in favor of the member.”

*DSS Response:* “DSS neither agrees nor disagrees with this recommendation. In January 2020, DSS initiated a comprehensive evaluation regarding all aspects of the Veyo complaint process. DSS is ensuring that all complaints are being collected, entered into Salesforce, tracked and resolved in an efficient and transparent manner.”

**Finding 39:** We find instances in which Veyo does not record member and facility (on behalf of members) complaints in Salesforce. Veyo does not classify them as complaints.

Veyo is required to record all complaints. However, based on interviews with facilities and a Medicaid member, and our visit to the call center, we found some complaints missing from Veyo’s database. In interviews, two facilities also told us that there were many problems with provider no-shows and late pick-ups. One facility sent us a spreadsheet with instances reported to Veyo in which the broker failed to pick up members or picked them up late, resulting in members missing their medical appointments. We found that Veyo did not record about half in Salesforce or count them as complaints. We also interviewed a Medicaid member who reported contacting Veyo on two separate dates to complain about missed pick-ups. Neither of those complaints were captured in Salesforce.

DSS staff told us they have no way of knowing if Veyo did not enter a complaint into Salesforce. The department does not have remote access to Veyo’s call center recordings because Veyo claims it is proprietary information.

We also listened to member telephone calls into the Veyo call center. We heard at least 2 callers ask to speak to a supervisor after expressing dissatisfaction with NEMT services. However, Veyo did not enter either call into Salesforce, suggesting that Veyo is not capturing all complaints.

*Recommendation:* The Department of Social Services should monitor its Non-Emergency Medical Transportation broker more carefully to ensure Veyo records all complaints in Salesforce. (See **Recommendation 39.**)

*Veyo Response:* “While we certainly regret any errors in recording complaints or miscommunication on complaints, Veyo absolutely seeks to close any gap in the definition of a complaint, and ensure the community has the utmost confidence that every complaint is logged and investigated, and can be referenced at any time after initial report. It is currently in the process of developing an instant ticketing system which will provide a ticket number that will be provided to the reporter as soon as a complaint is reported by phone, web or email, and this system will be rolled out in March 2020. This will allow the reporter of a complaint to be able to inquire at any time in

the future as to the outcome of the investigation, and remove any doubt that every complaint is reported and investigated. Veyo will also work with DSS to ensure that they have and all additional visibility possible into this process that they require. Veyo routinely provides recorded calls to its customers in accordance with HIPAA for many operational activities and can collaborate with DSS to access call recordings on a regular basis and/or upon request.”

*DSS Response:* “DSS neither agrees nor disagrees with this recommendation. DSS will undertake its own review of the data reviewed by the auditors to determine if further action is required.”

*Auditors’ Concluding Comments:* We stand by our finding that the department does not have remote access to Veyo’s call center recordings. We received copies of emails between Veyo, DSS, and the medical facility proving complaint spreadsheet information was shared with Veyo. Veyo’s contention that HIPAA is a barrier is unfounded. The actual barrier is Veyo’s inability to segregate Connecticut data from other states. We directly observed complaints that Veyo employees did not enter into Salesforce.

**Finding 40:** Veyo does not formally acknowledge receipt of complaints. Since we find Veyo did not enter many complaints into Salesforce, confirming the complaint with members would better assure that Veyo recorded their concerns.

Members deserve to know their complaints are taken seriously, recorded in Salesforce, and investigated. Veyo does not send acknowledgment to members who make complaints.

*Recommendation:* The Department of Social Services should require Veyo to acknowledge a complaint within 5 business days. The acknowledgement should include a summary of the issue, an explanation of the resolution process, the duration of the process, and any other pertinent information. **(See Recommendation 40.)**

*Veyo Response:* “We believe that all complaints that are brought to our attention are being entered into Salesforce. We work with both members and facilities to document their grievances in Salesforce and to provide resolution after the investigation is complete. If there are complaints that have not been recorded in Salesforce, we will make every attempt to correct those errors. Our intent is to fully investigate and resolve every complaint of which we are made aware. While we certainly regret any errors in recording complaints or miscommunication on complaints, Veyo absolutely seeks to close any gap in the definition of a complaint, and ensure the community has the utmost confidence that every complaint is logged and investigated, and can be referenced at any time after initial report. It is currently in the process of developing an instant ticketing system which will provide a

ticket number that will be provided to the reporter as soon as a complaint is reported by phone, web or email, and this system will be rolled out in March 2020. This will allow the reporter of a complaint to be able to inquire at any time in the future as to the outcome of the investigation, and remove any doubt that every complaint is reported and investigated. Veyo will also work with DSS to ensure that they have and all additional visibility possible into this process that they require.”

*DSS Response:* “DSS neither agrees nor disagrees with this recommendation. In January, 2020, DSS initiated a comprehensive evaluation regarding all aspects of the Veyo complaint process. DSS is ensuring that all complaints are being collected, entered into Salesforce, tracked and resolved in an efficient and transparent manner.”

*Auditors’ Concluding Comments:* We observed that Veyo did not enter all complaints into Salesforce and acknowledged making errors. A ticketing system may move Veyo towards better compliance.

**Finding 41:** Veyo has no deadlines for resolving complaints. This could lead to poor customer service.

Although there are requirements for the scheduling of appeals of complaint decisions within 30 calendar days, there are no requirements for how long it should take Veyo to investigate and respond to complaints. As of September 30, 2019, there is no record of investigations into 21% of the 565 complaints lodged during July 2019. **Exhibit 15** shows that Veyo resolved fewer than half of complaints lodged from January 2018 to June 2019 within 30 days.

**Exhibit 15. Days to Resolve Complaints: January 2018-June 2019**

Days to Resolve	Frequency	Percent
0-5 Days	1978	24.4%
6-30 Days	1633	20.0%
31-60 Days	2048	25.3%
61-90 Days	2047	25.4%
90 Days or (142 Days) More	396	4.9%
<b>Total</b>	8102	100%

On the day we visited the Veyo call center, two-thirds of the 27 complaints entered into Salesforce had no investigator comments or actions taken more than one month after the complaint was reported, lending support to the need for deadlines to investigate and resolve complaints. The DSS medical and behavioral administrative service organizations interviewed for this audit require complaints to be investigated and resolved within 30 days, creating better customer service and responsiveness to complaints.

*Recommendation:* The Department of Social Services should include in future contracts that all complaints be investigated and resolved within 30 days. (**See Recommendation 41.**)

*Veyo Response:* “Veyo agrees with this recommendation and has recently added additional staff to our Quality Assurance team to ensure that all complaints are investigated and resolved within 30 days.”

*DSS Response:* “DSS agrees with this recommendation. DSS will consider incorporating this recommendation in an amendment to its contract with Veyo and in operational policies and procedures.”

**Finding 42:** Members may file a complaint by telephone, online web form, email, mail, or fax. Veyo policies and procedures only allow facilities to file a complaint (on behalf of a member) in writing. However, in practice, we understand facilities use methods similar to members to file complaints.

The Veyo standard operating procedures state that a member may file a complaint by telephone via online web form, email, fax, or mail 24 hours a day, 7 days a week. However, according to the policies and procedures manual, facilities may only file complaints (on behalf of members) in writing. Veyo policy should allow facilities and members to have the same filing options complaints.

*Recommendation:* The Department of Social Services should require Veyo to change its policies and procedures to allow complaints from facilities (on behalf of members) by telephone, online web form, email, mail, or fax. (**See Recommendation 42.**)

*Veyo Response:* “Veyo disagrees with this Finding. Facilities already have all of the same means of filing complaints with Veyo as do members. Veyo currently receives and accepts complaints from facilities through means including, but not limited to, phone calls, direct email messages, and web forms. The existing web form is open for all users, and has a self identifier for both members/riders and healthcare facilities/hospitals.” The Finding is inaccurate and the Recommendation is unnecessary.”

*DSS Response:* “DSS disagrees with this Finding. DSS has confirmed that all methods through which members are able to file complaints with Veyo are also available to facilities and other medical providers.”

*Auditors’ Concluding Comments:* Veyo should update its standard operating procedure for member complaints and grievances to reflect current practice.

**Finding 43:** Veyo policies and procedures require Veyo to respond to written complaints from facilities (on behalf of members), and email the results and resolution of the investigation to the facility. However, we find this is not occurring.

According to Veyo’s policies and procedures, if a complaint is received in writing from a facility on behalf of a member, the Quality Assurance Unit will email the facility the results of the investigation and resolution. In interviews, Veyo informed us that it does not respond to facility complaints after the investigation. This is further reinforced in interviews with facility employees who told us they do not receive the results of complaints. This is not responsive to facilities and does not adhere to Veyo’s policies and procedures.

*Recommendation:* The Department of Social Services should require Veyo to adhere to its policies and procedures regarding written complaints by facilities on behalf of the member. **(See Recommendation 43.)**

*Veyo Response:* “Our clinical coordinators have been a key point of contact for many facilities that are submitting complaints. The coordinators work very closely with facilities to resolve complaints, and to document them in Salesforce. Veyo will make every effort to ensure that the results of an investigation are also provided to facilities.”

*DSS Response:* “DSS agrees with this recommendation. DSS initiated a comprehensive evaluation regarding all aspects of the Veyo complaint process in January 2020. DSS is ensuring that Veyo adheres to their policies and procedures regarding complaints filed in writing by facilities on behalf of the member.”

**Finding 44:** Unlike Connecticut, NEMT programs in other states have separate telephone numbers for members to file complaints. A separate telephone complaint line would increase the likelihood of capturing all complaints and provide better customer service.

NEMT programs in New Jersey and Rhode Island provide separate telephone numbers for members to file complaints. Using this direct approach to lodge complaints, a separate telephone number may increase the likelihood of capturing all complaints and provide better customer service to members.

*Recommendation:* The Department of Social Services should consider requiring the Non-Emergency Medical Transportation broker to establish a separate complaint telephone line. **(See Recommendation 44.)**

*Veyo Response:* “Veyo agrees with the recommendation, and as a result will be adding an additional prompt to our phone lines that will direct callers to a specific line for capturing complaints. Veyo will have this completed by March, 2020.”

*DSS Response:* “DSS agrees with this recommendation. DSS will monitor to ensure implementation and compliance.”

**Finding 45:** We find Veyo categorizes a considerable number of complaints, including public transit complaints, as “other”. This leads to a misinterpretation of public transit complaints in Veyo’s reporting.

Veyo told us it uses the category “other” when the complaint does not fit into any of the pre-defined categories. Out of the 10,047 total complaints from January 2018 through September 2019, Veyo categorized 1,187, (12%) as “other.” For example, we found Veyo filed most of the public transportation complaints as “other”. In an independent evaluation of Veyo’s Idaho Non-Emergency Medical Transportation program, the report recommended developing additional categories when more than 10% of complaints fall into “other.”

*Recommendation:* The Department of Social Services should require Veyo to categorize complaints (including public transit complaints) more descriptively. (See **Recommendation 45.**)

*Veyo Response:* “Veyo agrees with the recommendation and will work with our internal technology team to have our system updated to ensure appropriate interpretation of public transit complaints. Veyo will have this completed in January 2020.”

*DSS Response:* “DSS agrees with this recommendation. DSS will monitor to ensure implementation and compliance.”

**Finding 46:** The DSS-Veyo contract requires Veyo to translate Notice of Action letters for non-English speaking members. Veyo reports it does not have Spanish (or any other) translations of Notice of Action letters, making it difficult for non-English speaking members to comprehend whether they will receive transportation services.

The contract requires Veyo to translate the letter denying or limiting NEMT services, referred to as the Notice of Action (NOA) letter, into any non-English language. Veyo informed us that the NOA letters include a separate document related to discrimination that explains how members can contact DSS if they need language assistance. However, Veyo does not have a Spanish translation of the NOA letter.

*Recommendation:* The Department of Social Services should require Veyo to include Spanish translations when sending Notice of Action letters to members. (See **Recommendation 46.**)

*Veyo Response:* “Veyo agrees with the recommendation and will work with DSS to identify a completion date.”

*DSS Response:* “DSS agrees with this recommendation. DSS is working with Veyo to resolve this as expeditiously as possible.”

**Finding 47:** We find a variety of bus pass issues in Veyo’s complaint data. This is problematic for members to promptly get to and from appointments without using their own funds.

There are no federal or statutory guidelines related to the issuance of bus passes. The DSS-Veyo contract requires at least 5 days’ notice to allow for delivery time of bus passes, tokens, smart cards, or tickets. Veyo has a Public Transit Team to administer bus passes, tokens, smart cards, or tickets. Veyo mails bus passes to members from its Connecticut location, but reports having many returned as undeliverable.

We became aware of many bus pass problems from complaint data and interviews. For example, we were told of members waiting more than a month to receive their bus passes; members not receiving the correct number of bus passes to cover all their monthly scheduled trips; and not having their smart card promptly loaded. Sometimes, Veyo mails them to the wrong address. Other times, Veyo mails bus passes to correct addresses, but they may be stolen. We were also told of difficulties delivering bus passes to homeless members. There are concerns with Veyo’s use of day passes rather than monthly passes for recurring rides, and the inappropriate assignment of bus transportation for members with mobility issues.

*Recommendation:* The General Assembly should consider establishing a taskforce to study and propose solutions for Non-Emergency Medical Transportation bus pass issues. The taskforce members should include: (3) Medicaid recipients who use public transit, at least one of whom represents the behavioral health community, and one who is a parent of a client child, (1) Connecticut transit representative, (1) Non-Emergency Medical Transportation broker representative, (1) Department of Social Services representative, (1) Chair and Ranking Member of the Human Services Committee, (1) Chair and Ranking Member of the Appropriations Committee, (1) Chair and Ranking Member of the Transportation Committee, (1) representative from the Medical Assistance Program Oversight Council, and (1) representative from a Federally Qualified Health Center. The taskforce should promptly report its proposed solutions to the General Assembly. (See **Recommendation 47.**)

*Veyo Response:* “Veyo defers to the Department regarding this recommendation.”

*DSS Response:* “DSS disagrees with this recommendation. DSS believes further evaluation of bus pass issues must be completed to determine appropriate corrective actions.”

*Auditors’ Concluding Comments:* The fact that DSS has been unable to address this issue illustrates the need for the establishment of a legislative taskforce to address the many facets of bus pass issues.

**Finding 48:** Veyo sometimes fails to provide transportation to critical care appointments for transplant, dialysis, or cancer treatment. This is problematic because missed appointments for members with critical medical needs could lead to potentially serious consequences.

In Veyo’s complaint data and interviews with facilities, we found instances of missed and late pick-ups for members with appointments related to transplants, cancer treatment, and dialysis. For example, in June 2019, there was a late pick-up for appointment at a transplant clinic. The driver arrived 45 minutes late and was driving erratically, speeding, and texting. In another example, in January 2018, a member waited outside for 45 minutes and was on hold with Veyo for a long time. NEMT never showed up to pick the patient up for their oncologist appointment and they had to cancel the appointment.

*Recommendation:* The Department of Social Services should require Veyo to identify members with critical medical needs, and assign a transportation coordinator to properly secure transportation for these members. The department should consider issuing sanctions to Veyo whenever such members experience late or missed medical transportation pick-ups or drop-offs. (See **Recommendation 48.**)

*Veyo Response:* “Veyo defers to the Department on this recommendation.”

*DSS Response:* “DSS agrees with this recommendation. DSS spent considerable time and effort working with Veyo and providers, most notably dialysis providers, to address potential problems with transportation to critical care appointment. DSS believes that those potential problems were effectively addressed. DSS certainly agrees that missed appointments for this type of care have potentially serious consequences. Under its contract with Veyo, DSS has the authority to impose sanctions for “acts or omissions that could result or have resulted in harm to a Member” in addition to sanctions for specific performance measures. [Section XIV.1.B.] Section XIV.7.G. of DSS’ contract with Veyo authorizes the Department to sanction Veyo in the event of late or missed pick-ups. DSS will continue to sanction Veyo for documented instances of late or missed pick-ups, unless the event falls into one of the narrow exceptions provided for in the contract.”

**Finding 49:** In Veyo’s complaint data and interviews with facilities, we find instances in which transportation providers do not let parents or guardians of child clients into the vehicle in violation of the DSS-Veyo contract.

In Veyo’s complaint data and our interviews with facilities, we found instances in which transportation providers did not allow parents or guardians of child clients into the vehicle. For example, a 10-year-old child member was scheduled as a lone rider to her medical appointment and the driver did not permit any other passengers, including her parent. This caused the child to

miss her medical appointment. In another example, an 8-year-old child member and parent were transported to a medical appointment. However, on the return trip, the driver refused to allow the parent in the vehicle. Veyo ultimately sent a different transportation provider to complete the trip. These examples illustrate confusion with policies and procedures for transporting child members.

*Recommendation:* The Department of Social Services should require Veyo to properly train drivers on policies and procedures related to transporting children. Those policies and procedures allow parents or guardians to accompany minors traveling to medical appointments. **(See Recommendation 49.)**

*Veyo Response:* “Veyo will administer additional training to providers and drivers to ensure that they are appropriately complying with this policy by February 2020.”

*DSS Response:* “DSS neither agrees or disagrees with this finding and recommendation. The Department will continue to review Veyo’s complaint data and monitor Veyo’s performance to ensure compliance with all contract requirements.”

**Finding 50:** We found an example of a young child being transported alone in violation of the DSS-Veyo contract.

The DSS-Veyo contract states that clients under 16 years old cannot be transported without an escort, with exceptions for 12-15 year-old members. The third-party transportation operator (3PO) agreement states: “Passengers who are 11 years of age or younger will not be transported without a parent or guardian.” Veyo’s Connecticut Independent Driver manual and policies and procedures manual do not address transporting child clients.

A mother lodged a complaint with Veyo regarding her 7-year-old child being transported alone with the Veyo independent driver. The driver was interviewed about this complaint and reported that he was not aware that he could not transport the child alone.

*Recommendation:* The Department of Social Services should require Veyo to amend its policies and procedures manual, transportation provider agreement, and independent driver manual to reflect the requirement that an escort be allowed when a provider is transporting a child client. Veyo should inform and train all Non-Emergency Medical Transportation drivers on the requirement. **(See Recommendation 50.)**

*Veyo Response:* “Veyo takes such egregious events very seriously, and agrees with this recommendation. The prohibition against transporting young children alone is included in our Independent Driver Manual and training, and Veyo has updated within the Transportation Provider Agreement, Policies and Procedures Manual, and in provider training materials to reflect it as well.”

*DSS Response:* “DSS agrees with this recommendation. DSS will continue to monitor Veyo to ensure compliance.”

## **QUALIFYING RECIPIENTS FOR MODE OF TRANSPORTATION**

In determining the least expensive medically-necessary mode of transportation, Veyo considers the location of the medical service in relation to the member’s home (up to 10 miles for members residing in urban communities, and up to 20 miles for members residing in rural communities). Veyo denied less than 1% of the total booked trips due to the member refusing the mode of assigned transportation.

Should the member wish to see a medical provider outside the mileage range or in a higher mode of transportation than was assigned by Veyo, then a medical necessity form must be completed and signed by a licensed health care provider and submitted to Veyo within 14 calendar days, requesting an override to the existing parameters. The medical necessity form is reviewed by clinical staff who determine whether to approve or deny the member’s request.

**Finding 51:** Veyo policies and procedures pertaining to appropriate mode of transportation do not impose a deadline for a decision on medical necessity overrides.

Veyo policies and procedures state that members must return the medical necessity override form within 14 calendar days. However, there is no timeframe in which the medical necessity override decision must be made. Timely decisions for transportation to medical appointments could impact the member’s necessary services and is good customer service.

*Recommendation:* The Department of Social Services should require brokers to impose specific deadlines to issue medical necessity override decisions. (See **Recommendation 51.**)

*Veyo Response:* “Veyo requires all forms to be reviewed and processed within 15 business days. We have made both members and DSS aware of this timeframe either via internal and external communication. We have also provided this information to many facilities via our facility outreach process, which occurs over the course of the calendar year. Currently, all forms are processed under 10 business days. Forms can also be expedited by using the Clinical Coordinators direct information mentioned on the form.”

*DSS Response:* “DSS neither agrees nor disagrees with this recommendation. DSS will consider adding this requirement in an amendment to its contract with Veyo, and/or operational policies and procedures.”

**Finding 52:** An estimated 79% of members receiving NEMT services submitted medical necessity forms to override Veyo’s decisions about transportation to medical providers outside the permitted mileage range or in the assigned mode of transportation.

Veyo employees informed us that the company processes approximately 5,000-6,000 medical necessity forms in a typical month. Veyo informed us that 47,998 (79%) of the 60,995 unique NEMT users in 2019 had medical necessity forms on file, usually either for a mileage or mode of transportation override. They report a fairly even split between these two reasons for member requests. Veyo reports that it would not grant 185 requests for medical necessity overrides through November 4, 2019. Veyo did not grant 12 requests for overrides out of the approximately 6,000 requests processed in October 2019 (0.2%). Veyo does not use medical necessity forms in any other state.

The use of medical necessity forms for 79% of members is a barrier to prompt medical services and creates unnecessary paperwork for licensed medical providers and Veyo care coordinators. Nearly 4 out of 5 members do not agree with Veyo NEMT decisions, and almost all requests are granted.

*Recommendation:* The Department of Social Services should require Veyo to reduce the percentage of members required to submit medical necessity forms. (See **Recommendation 52.**)

*Veyo Response:* “Veyo completes all medical necessity determinations on an individualized basis, as is required for all Medicaid services. Periodic updates to medical necessity documentation are required because members’ health status and related NEMT needs may change over time. Members who are receiving critical care (e.g. dialysis), minors, and those who reside in skilled nursing facilities (SNFs) or assisted living facilities are only required to submit documentation annually. Veyo has on many occasions sought information from the HUSKY Health ASOs in support of making the appropriate determination regarding mode of transportation. Veyo would welcome the opportunity to further explain the program and how “lowest cost, most appropriate mode” and “medical qualification” work, to demonstrate our concerns with this Finding”

*DSS Response:* “DSS will review the incidence of use of medical necessity forms in NEMT, and will work with Veyo to minimize, to the extent feasible, administrative burden for both members and providers. That said, DSS must continue to adhere to regulatory standards for NEMT. When Veyo requires the submission of a medical necessity form, it has not made any determination. Rather, the request for a medical necessity form is a step that allows Veyo to make a decision about the members' transportation needs. DSS does not agree that 1) use of medical necessity forms, which are a contractually required means of ascertaining the least expensive medically necessary mode of transportation, should arbitrarily be reduced; 2) that use

of this utilization management tool is reflective of member “dissatisfaction”, which may otherwise be expressed via complaints or grievances; or 3) that use of medical necessity forms reflect a “denial” of a trip. The medical necessity process that Veyo is using is consistent with requirements of its contract with DSS, and ensures that trips reflect travel to the closest available provider and the least expensive mode of transportation.”

*Auditors’  
Concluding  
Comments:*

We note that Veyo approves 99.8% of medical necessity forms. Based on the extremely low level of overrides not granted, it seems like an administrative burden on providers and Veyo.

**Finding 53:** Nearly all completed trips (97.5% for January 2019) originated from urban communities according to the Connecticut State Office of Rural Health. Given the combined rural and suburban nature of much of Connecticut, the accuracy of the classification system is questionable and unfairly restricts member provider choices to 10 miles.

Members who reside in urban settings are limited to medical providers less than 10 miles away, and those in rural settings to providers less than 20 miles away. Given that Connecticut has many rural and suburban areas, we question whether it is accurate to classify 97.5% of all trips as urban. For example, the Connecticut State Office of Rural Health classifies Brookfield, Derby, Plymouth, and Windsor Locks as urban settings.

The U.S. Office of Management and Budget has identified Litchfield and Windham counties as rural (micro areas). If the municipalities within Litchfield and Windham counties are added to the current rural definition, the percent of rural members in January 2019 increases from 2.5% to 5.2% and increases the permitted range of travel to medical providers from 10 to 20 miles.

*Recommendation:* The Department of Social Services should expand its rural definition to include the rural counties identified by the United States Office of Management and Budget. **(See Recommendation 53.)**

*Veyo Response:* “Veyo defers to the Department regarding this recommendation.”

*DSS Response:* “DSS neither agrees nor disagrees with this recommendation. DSS would benefit from knowing the origin of this percentage. DSS will review this and assess whether a change in policy is warranted.”

**Finding 54:** Veyo does not automatically confirm that it received a member’s medical necessity form, causing uncertainty for medical providers and members.

Veyo accepts medical necessity forms by fax, email, mail, and online. We were told that medical providers fax the forms, but Veyo tells them it has not received them. For example, one provider said if they try to communicate with Veyo by email, they often do not get a response. They estimated that Veyo may respond to 6 or 7 out of every 100 medical necessity form emails.

Given the highly automated nature of Veyo, it should not be difficult to generate an automatic reply acknowledging receipt of the form.

*Recommendation:* The Department of Social Services should require its Non-Emergency Medical Transportation broker to implement a system to automatically acknowledge receipt of the medical necessity form. (See **Recommendation 54.**)

*Veyo Response:* “Veyo agrees with the recommendations and will work on ensuring that all forms that are received receive an instant confirmation. This will be completed by February 2020.”

*DSS Response:* “DSS agrees with this recommendation. DSS will monitor to ensure implementation and compliance.”

**Finding 55:** Veyo does not inform medical providers whether it approved or denied medical necessity requests. Members may not associate subsequent correspondence with these requests.

All medical necessity forms must be completed and signed by a licensed health care provider. The licensed provider must indicate medical diagnoses and if there are any muscular, cardiac, respiratory, cognitive, or psychological impairments. Veyo only shares the decision to grant or deny the override with the member. We have been told of instances in which members bring the correspondence to their medical providers, because they do not understand the reason for the letter. Medical providers told us that members typically throw the letters away. Medical providers need to be aware of whether Veyo approved or denied a medical necessity request.

*Recommendation:* The Department of Social Services should require its Non-Emergency Medical Transportation broker to inform both the member and medical provider of the approval or denial of a medical necessity request. (See **Recommendation 55.**)

*Veyo Response:* “Veyo agrees with the recommendation and will work with the Department to identify the next steps in January 2020.”

*DSS Response:* “DSS agrees with this recommendation. DSS will monitor to ensure implementation and compliance.”

**Finding 56:** Providers must submit new medical necessity forms every 3 to 12 months, depending on the circumstances. The member receives the new form one month prior to the expiration of the previous approval, and may not give it to the medical provider for some time. This can lead to the member losing necessary medical transportation.

Medical necessity approvals expire within 3 to 12 months, depending on the circumstances they were granted. Members who are minors, undergoing dialysis or living in a nursing home only need to request this form once per year. New applications for medical necessity are mailed to

members one month prior to expiration of the prior approval. Members may not understand the purpose of this correspondence and may not promptly give the new medical necessity forms to their providers. This can lead to members losing necessary medical transportation. Medical providers need timely notification of the need to reapply for medical necessity approval.

*Recommendation:* The Department of Social Services should require that its Non-Emergency Medical Transportation broker inform both the member and medical provider of the need for resubmission of the medical necessity form. (See **Recommendation 56.**)

*Veyo Response:* “Veyo agrees with the recommendation and will work the Department to identify next steps.”

*DSS Response:* “DSS agrees with this recommendation. DSS will work with Veyo to develop and implement policy regarding this recommendation.”

**Finding 57:** Medical providers sometimes have to complete a different medical necessity form for each specialist, leading to additional administrative time and costs for providers.

Some members require medical services from multiple specialists. One provider told us that it had to complete individual medical necessity forms for each specialist, creating a time-consuming and costly process. Veyo told us that just one medical necessity form needs to be completed for all the specialists if the member has critical needs such as dialysis or chemotherapy, resides in a nursing home, or is a minor. However, the form only has space to list one medical provider or specialist.

*Recommendation:* The Department of Social Services should require Veyo to revise the medical necessity form to allow for the listing of multiple providers. (See **Recommendation 57.**)

*Veyo Response:* “Veyo agrees with the recommendation and has revised its form to indicate multiple providers if needed.”

*DSS Response:* “DSS agrees with this recommendation. DSS will monitor to ensure compliance.”

**Finding 58:** A member’s newborn (0-6 months old) can travel on the NEMT trip. However, older children may not accompany a member, which can lead to missed medical appointments or young children left unattended.

The DSS-Veyo contract only allows 0-6 month old babies to accompany a parent or guardian to their medical appointment. Veyo told us that it permits a parent or guardian to be transported

with a child, and has instructed call center agents to allow this. Veyo reports there is no additional expense in transporting a parent and child. Parents who cannot afford or find a babysitter would have to miss their necessary medical treatment or leave their children unattended. The Georgia Non-Emergency Medical Transportation services allow a minor to accompany an adult member to a medical appointment when there is no one available to stay with the minor.

*Recommendation:* The Department of Social Services should increase the age of a minor child permitted to accompany a member to a medical appointment. (See **Recommendation 58.**)

*Veyo Response:* “Veyo defers to the Department regarding this recommendation.”

*DSS Response:* “According to the Centers for Medicare & Medicaid Services (CMS), “Medicaid covers only the cost of transportation for the beneficiary to access a covered medical service. Medicaid does not cover the cost of transportation for children of the beneficiary receiving a medical service. The ride should be the least costly form of transportation and a more expensive ride would not be covered so that the children of the beneficiary can also be transported.” Further, CMS noted “Medicaid does not cover the cost of transporting siblings or anyone else if they are not receiving a covered medical service”. Implementation of the recommendation would result in a cost to the State for the transportation of an individual if they are not receiving a covered medical service.”

## **DSS OVERSIGHT OF VEYO**

The DSS-NEMT contract requires DSS to review Veyo’s performance regularly to determine if the company is meeting performance standards including trip promptness and fulfillment. DSS personnel informed us said that the department does not verify the accuracy of the Veyo-submitted monthly performance reports. DSS accepts the reports as submitted, and posts them on its NEMT webpage. DSS claims it does not have sufficient access to Veyo’s data to determine the accuracy and integrity of the monthly reports. The department would like access to additional trip data including driver arrival times.

Veyo can confirm that individuals are eligible for Medicaid, and that members being transported have medical appointments for scheduled trip dates. DSS, however, does not have a way to verify that a member’s medical appointment corresponds to the trip date, and has not conducted largescale matches between Medicaid claims and NEMT dates of service. The department has worked with Veyo to develop some targeted queries relating Medicaid healthcare claims and NEMT data.

The DSS-Veyo contract provides performance incentives and loss protection payments when Veyo meets certain conditions. The first performance payment was to be calculated and issued no later than July 1, 2019. The department did not issue any performance incentives to Veyo during

the period under review. In addition, DSS received Veyo's audited financial statements and did not issue any loss protection payments for the 2018 calendar year.

Based on organizational charts, volume of complaints, volume of rides, opportunity for increased sanctioning, multiple monitoring and contract requirements, it appears that the department has not allocated sufficient staffing to the NEMT Unit. The NEMT Unit acknowledges that DSS could issue more sanctions, but does not due to limited staffing.

## **Sanctioning**

The NEMT contract provides DSS with the use of sanctions to incentivize Veyo to perform in accordance with the terms of the contract.

DSS has not issued sanctions each time Veyo failed to meet a contractual performance standard. The department expressed concern that multiple sanctions could frustrate Veyo, and leave the department without a transportation provider. In lieu of issuing certain sanctions, the department provided Veyo with a May 8, 2018 formal written notification regarding a number of DSS concerns pertaining to Veyo's performance under the terms of the NEMT contract.

DSS reviews samples of substantiated complaints and Notice of Action forms on a weekly basis to identify any systemic issues. The department also reviews samples of complaints to determine the appropriateness of their classification (i.e. substantiated or unsubstantiated), and if the complaints are worthy of a sanction. The department issues a sanction if warranted. The DSS NEMT Unit received complaints directly from advocates, legislators, medical providers, and members. Most of the sanctions issued are the result of these complaints. A few sanctions are the result of the department's review of monthly reports.

As of May 14, 2019, DSS issued 44 sanctions, totaling \$24,500, for incidents from the beginning of the contract through March 2019. The sanctions included 24 provider no-shows, 13 late pick-ups and 7 multi-loading incidents. The department has not issued sanctions for other types of contract violations. During this same period, Veyo reported the following number of incidents and substantiated complaints potentially subject to sanctions:

- 4,954 provider no-shows
- 317,061 late pick-ups
- 925 substantiated complaints for provider no-shows
- 461 substantiated complaints for late pick-ups

In addition to sanctions related to failure to meet contract standards, the department reserves the right to impose sanctions for other conduct, including monetary sanctions for other noncompliance with the contract or state or federal regulatory requirements. The following are 2 examples of concerns for which DSS formally noted in writing, but chose not to sanction Veyo in an attempt to work with the broker:

1. Veyo's failure of a timely response to DSS complaints. DSS reported that it submitted numerous complaints to Veyo and the department has no record of responses from Veyo.
2. Veyo did not conduct all required communication with DSS regarding policies and procedures. The department reported there have been several occasions in which Veyo established new policies or procedures and communicated them to members, providers, and/or facilities without the department's approval or knowledge.

DSS receives monthly updates from Veyo on "Notice of Sanction Matters." The director of the NEMT Unit follows up with the department's Budget and Revenue Unit to confirm they received payment from Veyo for issued sanctions.

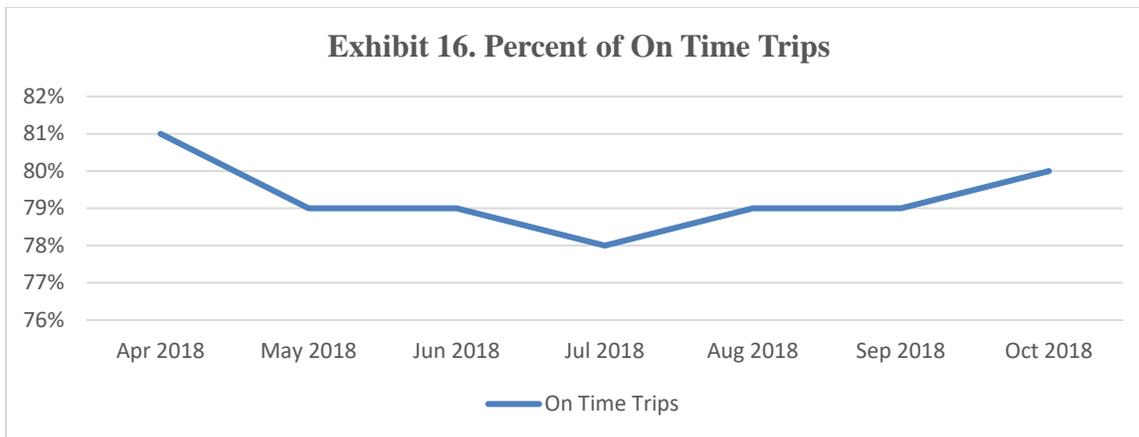
DSS meets with Veyo weekly to discuss complaints, sanctions, transportation providers (subcontractors), and trends. If Veyo feels there is an issue with a transportation provider, it may limit the number of rides assigned to the transportation provider. Veyo may also take action against substandard transportation providers by placing them on notice until they implement corrective action or terminating underperforming providers.

**Finding 59:** DSS may impose sanctions on Veyo for transportation provider no-shows and late pick-ups. However, we find DSS only issued sanctions a fraction of the time such instances occurred.

Members of the General Assembly, MAPOC, medical providers, clients and advocacy groups have expressed concern with the program's operation. The "DSS Monthly Reporting Packages" prepared by the contractor for the months of April 2018 through March 2019 report the following number of incidents and complaints: 4,954 provider no-shows and 317,061 late pick-ups; 925 substantiated complaints for provider no-shows and 461 substantiated complaints for late pick-ups.

The DSS-Veyo contract identifies monetary sanctions DSS may impose if Veyo fails to meet certain performance standards including failure to: record or respond to a complaint (\$500 per occurrence), appropriately schedule transportation so that members are inappropriately sharing ride with others (\$1,000 per occurrence), and late pick-up (\$500 per occurrence up to \$10,000 per month). The department issued 37 sanctions (totaling \$18,500) for incidents occurring in the months of April 2018 through March 2019. These 37 sanctions included 24 sanctions (totaling \$12,000) for provider no-shows and 13 sanctions (totaling \$6,500) for late pick-ups.

**Exhibit 16** shows the percent of on-time trips during April 2018 through October 2018. During this same period, higher than usual sanctioning occurred for the months of May, June, August and September 2018.



There is no noticeable improvement in the on-time percentage following these higher than usual sanctioning months. DSS has not effectively used sanctions to incentivize Veyo to better comply with the terms of the contract. The department informed us that it could issue sanctions on a daily basis, but their NEMT Unit (located in the Division of Health Services) does not have the time or resources.

Additionally, Veyo passes most of the sanctions onto the transportation provider if it deems the provider responsible. This could make sanctions ineffective, as the NEMT contract limits sanctions for provider no-shows and late pick-ups to \$10,000 (or 20 sanctions) per month. It is conceivable that a transportation provider would not be sanctioned for poor performance in a given month if the department has reached the sanction maximum.

*Recommendation:* The Department of Social Services should regularly review the contractor’s performance, and issue a written sanction for each occurrence that the contractor fails to meet the terms of the Non-Emergency Medical Transportation contract. The department should develop a strategy to maximize the effectiveness of sanctions. **(See Recommendation 59.)**

*Veyo Response:* “Veyo defers to the Department regarding this recommendation.”

*DSS Response:* “DSS agrees with this recommendation. DSS will continue to continue to review Veyo’s performance and to issue written sanctions for occurrences in which Veyo fails to meet performance standards identified as sanctionable under its contract with Veyo.”

## **RECOMMENDATIONS**

This is our first audit of Non-Emergency Medical Transportation and there are no prior audit recommendations to address. Our current audit resulted in 59 recommendations:

### **UNNECESSARY CONTRACTUAL REQUIREMENTS**

1. The Department of Social Services should amend future broker contracts to eliminate the following requirements:
  - Monthly report on detailed provider information;
  - Daily computerized trip log's member mobility status;
  - Requirement that transportation subcontractors send Veyo monthly reports of member complaints;
  - Semi-annual transportation provider subcontractor report; and
  - Requirement for Veyo to provide Medicaid-specific training to call center staff.

### **CALL CENTER PERFORMANCE**

2. The Department of Social Services should amend future contracts to specify the percentage of calls that must be answered by employees located in the state of Connecticut.
3. The Department of Social Services should require Veyo to provide members with written information on bus routes.
4. The Department of Social Services should amend future contracts to include the combined reporting of calls received both within and outside of normal business hours.
5. The Department of Social Services should amend future contracts to define what constitutes abandoned calls and when they are to be included in other monthly report calculations.
6. The Department of Social Services should require Veyo to add more Spanish-speaking call center agents to match its service to English-speaking clients. Future contracts should require the separate reporting of key performance indicators for Spanish and English-speaking clients.
7. The Department of Social Services should amend future contracts to exclude abandoned calls from the calculation of average time to answer calls to the Non-Emergency Medical Transportation call center.
8. The Department of Social Services should require Veyo to use the term "call reference number" instead of the current "confirmation number."

### **TRIP SERVICE AND PERFORMANCE**

9. The Department of Social Services should require Veyo to report on the percentage of trip verifications, improprieties that were discovered, and a list of the most costly clients, and record the type of trip origin location and destination.

10. The Department of Social Services should require Veyo to report Money Follows the Person Program trips separately from Non-Emergency Medical Transportation trips.
11. The Department of Social Services should require Veyo to explain any changes in report calculations of booked or completed trips in the Veyo monthly reports.
12. The Department of Social Services should require Veyo to report transportation performance standards in accordance with the Department of Social Services-Veyo contract.
13. The Department of Social Services should have a July or October start date for the Non-Emergency Medical Transportation contract.
14. The Department of Social Services should require Veyo to develop a system to track multi-loaded trips and routinely check that these trips meet the contract's standards.
15. The Department of Social Services should amend future contracts to require Veyo to report on early drop-offs separately.
16. The Department of Social Services should require Veyo to develop policies and procedures to handle and implement notification by transportation providers of discontinued prescheduled repeat trips.
17. The Department of Social Services should require Veyo to explain any changes in monthly report calculations of on-time trip percentages.
18. The Department of Social Services should review the Veyo monthly reports more carefully and question Veyo when on-time and late trip information appears inaccurate.
19. The Department of Social Services should monitor Veyo's recording of trip status data more closely.
20. The Department of Social Services should require Veyo to develop policies and procedures for collaboration with the Department of Social Services' medical, dental, and behavioral health administrative service organizations to assist clients under the age of 21.
21. The Department of Social Services should require Veyo to include all trips that occurred in its total number of completed trips, including trips the transportation providers have not finalized.
22. The Department of Social Services should amend future contracts to require a wait time of 10 minutes before declaring a member to be a no-show for the Non-Emergency Medical Transportation trip.
23. The Department of Social Services should require Veyo to include trip removal and data correction statistics in its monthly reports.
24. The Department of Social Services should assemble a workgroup to identify factors contributing to the trip removal and data corrections and develop recommendations to reduce them.
25. The Department of Social Services should require Veyo to determine late trips for all transportation providers using the same metrics.

## **TRANSPORTATION NETWORK ADEQUACY**

26. The Department of Social Services should require Veyo to have and maintain a computerized log that includes the availability of other transportation resources.

27. The Department of Social Services should modify its contract to have Veyo instruct Non-Emergency Medical Transportation providers to require proof of member identification prior to transporting the client.
28. The Department of Social Services should enforce the contractual requirement for Veyo to immediately remove all drivers that pose a risk from servicing members.
29. The Department of Social Services should require Veyo to consistently apply the use of corrective action plans with transportation providers.
30. The Department of Social Services should require Veyo to maintain a centralized system to track all corrective action plans issued to third-party operators and submit documentation monthly to DSS on the progress of corrective action plans.
31. The Department of Social Services should amend future contracts to make it clearer that Non-Emergency Medical Transportation brokers are required to check the Office of Inspector General exclusion list to ensure that Non-Emergency Medical Transportation federal funds are only disbursed to eligible individuals.
32. The Department of Social Services should not permit Veyo to subcontract with paratransit programs that have on-time rates lower than 75% of all other third-party transportation providers.
33. The Department of Social Services should require Veyo to treat all transportation network companies consistently.
34. The Department of Social Services should require Veyo to increase the number of wheelchair transport providers to greatly reduce or eliminate the lack of transportation for members being discharged from hospitals or requiring wheelchair transportation.
35. The Department of Social Services should instruct Veyo to administer a knowledge-based test to all drivers to ensure their understanding of all required training prior to allowing drivers to provide Non-Emergency Medical Transportation.

#### **COMPLAINT HANDLING**

36. The Department of Social Services should require Veyo to adhere to the contractual definition of a complaint and require Veyo to amend its policies and procedures to match this definition.
37. The Department of Social Services should require Veyo to record all complaints in Salesforce, even if the complaint is resolved at the time of the initial call.
38. The Department of Social Services should provide more oversight of the complaint handling process including the accurate substantiation of complaints.
39. The Department of Social Services should monitor its Non-Emergency Medical Transportation broker more carefully to ensure Veyo records all complaints in Salesforce.
40. The Department of Social Services should require Veyo to acknowledge a complaint within 5 business days. The acknowledgement should include a summary of the issue, an explanation of the resolution process, the duration of the process, and any other pertinent information.
41. The Department of Social Services should include in future contracts that all complaints be investigated and resolved within 30 days.

42. The Department of Social Services should require Veyo to change its policies and procedures to allow complaints from facilities (on behalf of members) by telephone, online web form, email, mail, or fax.
43. The Department of Social Services should require Veyo to adhere to its policies and procedures regarding written complaints by facilities on behalf of the member.
44. The Department of Social Services should consider requiring the Non-Emergency Medical Transportation broker to establish a separate complaint telephone line.
45. The Department of Social Services should require Veyo to categorize complaints (including public transit complaints) more descriptively.
46. The Department of Social Services should require Veyo to include Spanish translations when sending Notice of Action letters to members.
47. The General Assembly should consider establishing a taskforce to study and propose solutions for Non-Emergency Medical Transportation bus pass issues. The taskforce members will include: (3) Medicaid recipients who use public transit, at least one of whom represents the behavioral health community, and one who is a parent of a client child, (1) Connecticut transit representative, (1) Non-Emergency Medical Transportation broker representative, (1) Department of Social Services representative, (1) Chair and Ranking Member of the Human Services Committee, (1) Chair and Ranking Member of the Appropriations Committee, (1) Chair and Ranking Member of the Transportation Committee, (1) representative from the Medical Assistance Program Oversight Council, and (1) representative from a Federally Qualified Health Center. The taskforce should promptly report its proposed solutions to the General Assembly.
48. The Department of Social Services should require Veyo to identify members with critical medical needs, and assign a transportation coordinator to properly secure transportation for these members. The department should consider issuing sanctions to Veyo whenever such members experience late or missed medical transportation pick-ups or drop-offs.
49. The Department of Social Services should require Veyo to properly train drivers on policies and procedures related to transporting children. Those policies and procedures allow parents or guardians to accompany minors traveling to medical appointments.
50. The Department of Social Services should require Veyo to amend its policies and procedures manual, transportation provider agreement, and independent driver manual to reflect the requirement that an escort be allowed when a provider is transporting a child client. Veyo should inform and train all Non-Emergency Medical Transportation drivers on the requirement..

#### **QUALIFYING RECIPIENTS FOR MODE OF TRANSPORTATION**

51. The Department of Social Services should require brokers to impose specific deadlines to issue medical necessity override decisions.
52. The Department of Social Services should require Veyo to reduce the percentage of members required to submit medical necessity forms.
53. The Department of Social Services should expand its rural definition to include the rural counties identified by the United States Office of Management and Budget.

54. The Department of Social Services should require its Non-Emergency Medical Transportation broker to implement a system to automatically acknowledge receipt of the medical necessity form.
55. The Department of Social Services should require its Non-Emergency Medical Transportation broker to inform both the member and medical provider of the approval or denial of a medical necessity request.
56. The Department of Social Services should require that its Non-Emergency Medical Transportation broker inform both the member and medical provider of the need for resubmission of the medical necessity form.
57. The Department of Social Services should require Veyo to revise the medical necessity form to allow for the listing of multiple providers.
58. The Department of Social Services should increase the age of a minor child permitted to accompany a member to a medical appointment.

### **DSS OVERSIGHT OF VEYO**

59. The Department of Social Services should regularly review the contractor's performance, and issue a written sanction for each occurrence that the contractor fails to meet the terms of the Non-Emergency Medical Transportation contract. The department should develop a strategy to maximize the effectiveness of sanctions.

## **ACKNOWLEDGEMENTS**

The Auditors of Public Accounts would like to recognize the auditors who co-authored this report:

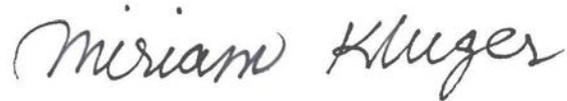
Miriam Kluger  
Rebekah Lyon  
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The Auditors of Public Accounts would also like to recognize the auditors who contributed to this report:

Mark Fortin  
Lee LeFrancois

**CONCLUSION**

In conclusion, we wish to express our appreciation for the courtesies and cooperation extended to our representatives by the personnel of the Department of Social Services and Veyo Healthcare Logistics during the course of our examination.



Miriam Kluger  
Principal Auditor

Approved:



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