

ASSEMBLY BILL NO. 2607

(First Reprint)

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Assembly Bill No. 2607 (First Reprint) with my recommendations for reconsideration.

This bill authorizes taxicabs, limousines, and transportation network companies ("TNCs") to provide paratransit services in the State for a period of two years. The bill defines paratransit service as "any transportation service, other than fixed route transportation service, that is provided by the New Jersey Transit Corporation, whether directly or indirectly through contract, to comply with the requirements of the federal 'Americans with Disabilities Act of 1990' (42 U.S.C. s.12101 et seq.), by the Department of Labor and Workforce Development pursuant to P.L.1987, c.455 (C.34:16-51 et seq.), and by counties under the 'Senior Citizen and Disabled Resident Transportation Assistance Act,' P.L.1983, c.578 (C.27:25-25 et seq.)." The bill further specifies that paratransit service "shall include Medicaid transportation service." Medicaid transportation service is defined as "the non-emergency medical transport of a beneficiary of the Medicaid program, which service is provided through the use of a mobility assistance vehicle or livery vehicle, is necessary for the beneficiary to receive covered medical services, and is provided in compliance with Title XIX of the federal Social Security Act (42 U.S.C. s.1396 et seq.), P.L.1968, c.413 (C.30:4D-1 et seq.), P.L.1981, c.134 (C.30:4D-6.2 et seq.), and any rules or regulations adopted thereunder."

The bill also includes two reporting requirements. Within 60 days of the two-year period, each paratransit provider that provided paratransit service by means of a taxicab, limousine, or TNC, must report to the Department of Transportation ("DOT") information about the number of trips provided, certain legal

compliance information, and information about each accident that occurred. Within 90 days of the two-year period, the DOT, in consultation with the New Jersey Transit Corporation, the Department of Human Services ("DHS"), the Department of Labor Workforce and Development, and the Department of Health, is required to submit to the Governor and the Legislature, and publish on its website a report on the effectiveness of allowing taxicabs, limousines, and TNCs to provide paratransit services.

I commend the bill's sponsors for recognizing the importance of ensuring our residents have access to paratransit services. The bill expands paratransit options for our vulnerable communities in a manner that has proven both user-friendly and cost-effective. I am concerned however, that the bill may conflict with and undermine the laws and regulations that govern Medicaid transportation services – rules that are in place to protect and better serve the State's Medicaid beneficiaries.

DHS is currently tasked with providing non-emergency medical transportation to Medicaid beneficiaries, which is done through a third-party broker. DHS also mandates that the third-party broker that it engages "to provide nonemergency transportation[,] shall require that all transportation professionals contracted with the broker be approved by the Division of Medical Assistance and Health Service." N.J.A.C. 10:50-1.3. This approval is contingent on meeting certain safeguards, including cardiopulmonary resuscitation (CPR) certification, a clean driving record, and a valid driver's license. Once approved, the transportation provider receives a Medicaid provider number. These criteria are important to ensure the protection and well-being of the Medicaid beneficiaries for whom these services are provided.

The bill's provisions concerning Medicaid transportation services were added in late amendments just days before final passage. I am concerned that these amendments may compromise

the safety of Medicaid beneficiaries or the integrity of the Medicaid program by exempting taxicabs, limousines, and TNCs from program requirements that apply to other transportation providers, even though I am certain that was not the intent of the Legislature.

I am therefore recommending revisions to address this issue and ensure that Medicaid transportation continue to be provided in a manner consistent with existing laws and program requirements, even when provided by a taxicab, limousine, or TNC.

Therefore, I herewith return Assembly Bill No. 2607 (First Reprint) and recommend that it be amended as follows:

Page 9, Section 1, Line 4:

After "service" insert ", as delivered through the Medicaid program's non-emergency medical transportation broker and in accordance with the rules and regulations set forth by the Department of Human Services"

Page 9, Section 1, Line 17:

After "contrary," insert "except any law, rule or regulation governing the Medicaid program's non-emergency medical transportation approval process,"

[seal]

Respectfully,

/s/ Philip D. Murphy

Governor

Attest:

/s/ Parimal Garg

Chief Counsel to the Governor