



# The Veyo Model: Ridesharing in NEMT

## Objective

The objective of this white paper is to share Veyo's history in Arizona, outline Veyo's driver recruiting and credentialing practices, highlight lessons learned over the past three years, and detail continuous improvement actions that have been taken to enhance this innovative solution.

# Background

In 2015, Veyo launched a new model for Medicaid transportation, adapting the innovation created in the consumer ridesharing space to the healthcare industry. This innovation focuses on the transition from traditional, fixed-fleet taxicab companies to transportation network companies (TNCs). Central to Veyo's strategy was creating its own vertically integrated ridesharing network, purpose built for the healthcare industry and the unique needs of the Medicaid population. The result was a less costly, more responsive, and more transparent transportation solution that utilizes trained drivers to deliver transportation to patients with a wide variety of medical needs.

Since the model was introduced just over three years ago, Veyo has conducted over 6 million trips in Arizona using Independent Driver Providers (IDPs). IDPs use their own vehicles to transport Arizona Medicaid and Medicare patients to and from their healthcare appointments. They accept trips on demand, similar to consumer ridesharing/TNCs, and they are fully credentialed to meet all AHCCCS and Arizona managed care plan requirements, including background checks, drug tests, CPR certification, HIPAA training, customer service training, sensitivity training, etc. Nearly 8,000 IDPs have taken trips in Arizona since 2015, with a current active fleet of nearly 3,000 drivers. Today, Veyo IDPs complete between 7,000 and 8,000 trips per day in the Arizona market.



# Quick Stats for Veyo in Arizona

**Geographies covered by IDPs:** Phoenix and Tucson metro regions.

**Member types served:** Medicaid beneficiaries, including general Medicaid, behavioral, SMI, Medicare, and ALTC.

#### **Overall IDP Stats:**

- Total trips completed by IDPs: 6,012,000
- Average trips completed by IDPs each day: 7,500
- Total drivers who have signed up to drive with Veyo since launch: 44,800
- Total IDPs who have been active in the system: 7,800
- Current fleet of Active IDPs: 2,950
- Average tenure of an IDP: 1.3 years

#### **Demographics:**

- Average age: 54
- 66% of IDPs are male
- 60% of IDPs are married
- 30% of IDPs have children at home

#### **Performance Data:**

- Average time from trip dispatch to IDP acceptance: 2 minutes
- Average time from trip dispatch to member pickup: 14 minutes
- Grievance rate: 0.02% (10x lower than the average traditional provider fleet)

### Credentialing + Training:

- Credentialing: Federal background check (OIG, HHS + National Sex Offender registries, and county and state-wide criminal files), five-panel drug test, vehicle inspection, driver documentation
- Training: HIPAA, CPR, emergency/crisis, ADA education, cultural sensitivity, customer service, defensive driving



# Credentialing and Contracting NEMT Rideshare Drivers

Veyo has always believed that while the reliability and responsiveness of ridesharing would be of value in NEMT, the drivers had to be specifically trained to effectively service these populations. Veyo combined existing driver and vehicle requirements from AHCCCS and other health plans with its 20 years of experience in NEMT to develop a custom training and credentialing program. To best serve the unique and broad array of needs in the Medicaid system, Veyo has continually adapted and added relevant training modules to the program over the past three years.

## Current training includes:

- HIPAA and the management of PHI: best practices regarding confidentiality and data security
- **CPR training:** First Aid and CPR certification via online training and an in-person practical demonstration
- **Emergency and crisis training:** best practices for handling unexpected complications, e.g., what to do if a member doesn't speak English, what to do if a child's guardian can't be found, what to do when a clinic is not open
- Americans with Disabilities Act (ADA) education
- **Passenger handling and sensitivity:** how to deal with a wide variety of population needs (both mental and physical)
- Trip expectations: trip-specific instructions, including when to call a passenger, instructions for hand-to-hand/curb-to-curb service, and how to transport durable medical equipment
- Transporting children: training on car seat and booster seat usage and requirements
- Customer service and cultural sensitivity training
- **Driving skills:** evaluation by a Veyo mentor





## Current credentialing requirements include:

- **Federal background check:** IDPs must undergo a federal background check, which includes a check of OIG, HHS & National Sex Offender registries, along with multiple county and statewide criminal files.
- **Five-panel drug test:** IDPs must pass a five-panel drug test that looks for Cocaine, THC, Opiates, Amphetamines and Methamphetamines. All IDPs are tested upon initial application and random drug tests are performed throughout the year.
- **Annual vehicle inspections:** Each vehicle must be inspected prior to being added to the fleet and must undergo annual inspections to maintain active status in the system.
- Annual documentation reviews: When a credential expires, the IDP is prompted to
  provide current information. If the IDP fails to provide the information, the IDP cannot
  receive trip requests on the Veyo Driver App. Drivers and vehicles with expired credentials
  are automatically suspended from the system.
- Veyo badging: Both IDPs and their vehicles are required to have recognizable badging/ branding at all times.





## Going Above and Beyond

Veyo estimates that roughly 50% of all ambulatory trips within its Medicaid transportation system require some additional level of driver skill or service that goes above and beyond what is offered by standard consumer rideshare drivers. When trips are booked by members, family members, providers, or case workers, unique needs are not always articulated or even recognized at the time of booking. Members often have a change in health conditions, mobility needs, or unexpected physical or behavioral health events that arise prior to a trip. In addition to changes that may occur before a trip, changes may also occur during a trip: a member may be fully independent on an outgoing leg of a trip but may need a great deal of assistance on a

return leg.



Veyo has developed protocols, training, and support to help assist drivers should they find themselves in a situation that may require additional service, such as a child being unexpectedly separated from a case worker or a dialysis patient experiencing severe hypotension after treatment. All drivers receive this emergency training upon onboarding, and have continued access to training documents through our online support center. Drivers also have access to a driver support team, which offers 24/7 support through a designated call line. Veyo's driver support team is always on hand to further assist drivers with unexpected situations.



Based on real-world experience, Veyo has made the following adaptations to its IDP model and strongly recommends that TNC systems deployed in Medicaid be required to include these provisions with respect to drivers and vehicles:

All drivers must undergo training on laws, etiquette, and appropriate behavior for medical settings: This includes basic training on HIPAA, PHI, and Patient Privacy, especially for behavioral health and drug rehabilitation patients. Drivers must sign Business Associate Agreements (BAAs) and clearly understand the laws and protections afforded to patients and the significance and importance of confidentiality. Drivers must be aware of some of the challenges of working with those with behavioral disorders and intellectual disabilities and be given basic skills to safeguard the wellbeing of themselves and the member. Lastly, proper protocols must be in place to report incidents and issues, and live support must be available to assist the driver in emergency situations.

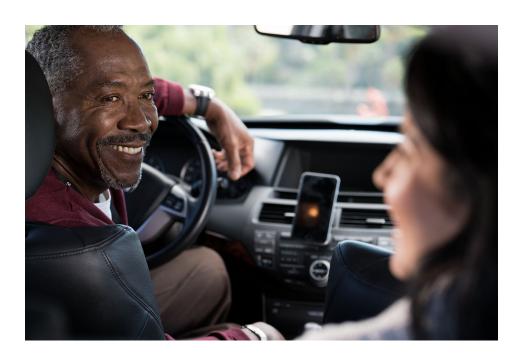
All drivers must undergo training on mobility needs, providing physical assistance, and emergency situations: This includes providing door-to-door or hand-to-hand service, how to recognize and assist with various physical disabilities (blindness, difficulty walking, dizziness, etc.), how to recognize a medical emergency, when and how to administer CPR/First Aid, and when to call for emergency medical assistance and support the member until they arrive. It also includes protocols and standards that take into account the fact that many members may not be able to present promptly at the curb, wait outside, be able to speak or converse with the driver due to disability or language skills, or be able to call/text with a driver to coordinate a pickup. Drivers must be trained to accommodate a wide variety of member behaviors and abilities at pickup.



**All drivers must be trained on fraud, waste, and abuse and the appropriate use of the Medicaid System:** This includes training drivers to recognize abuse
of the Medicaid NEMT system, creating a process for reporting fraud, waste, and
abuse, and training drivers to follow protocols when a member tries to change the
drop-off location during a trip.

#### NEMT systems must include safeguards for members of vulnerable

**communities:** Many utilizers of the NEMT system may not be able to advocate or protect themselves from improperly vetted individuals. Specifically, those undergoing drug rehabilitation therapy may be particularly at risk if exposed to an active drug user. It's critical that drivers undergo criminal background checks, including checks of the national sex offender registry. Drivers should also undergo a drug screen upon application and be included in random drug screens while maintaining an active driver status. Upon onboarding, drivers should be adequately trained about the risks and concerns NEMT members may be facing.



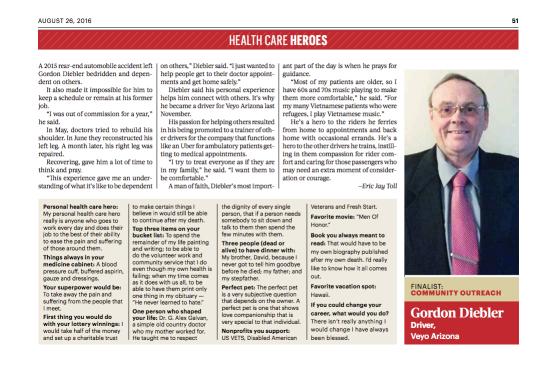


## Attracting a More Committed Driver

After analyzing three years of driver data, Veyo has discovered that their NEMT drivers are different than the traditional rideshare driver who serves the consumer industry:

- 63% of Veyo IDPs drive at least 20 hours a week for Veyo, with 23% of IDP drivers driving more than 40 hours a week for Veyo, compared to only 17 hours a week for a consumer TNC driver, based on recent reports.
- The tenure for Veyo IDPs is 1.3 years, compared to an average of three months for a consumer TNC driver, based on recent reports.
- Almost half of Veyo IDPs drive exclusively for Veyo.
- Many Veyo IDPs are retired and looking to give back to their community while earning extra
  income, or they work in the healthcare profession and are looking for a supplemental job
  with flexible hours.
- In a survey of our Arizona IDPs, 50% of drivers had been driving for Veyo for over a year, and 23% drive 40+ hours a week with Veyo.

**IDP Highlight**: In 2016, Gordon Deibler, an Arizona IDP, was a finalist in the Phoenix Business Journal's Healthcare Heroes for his work with Veyo and feedback received by AHCCCS members.





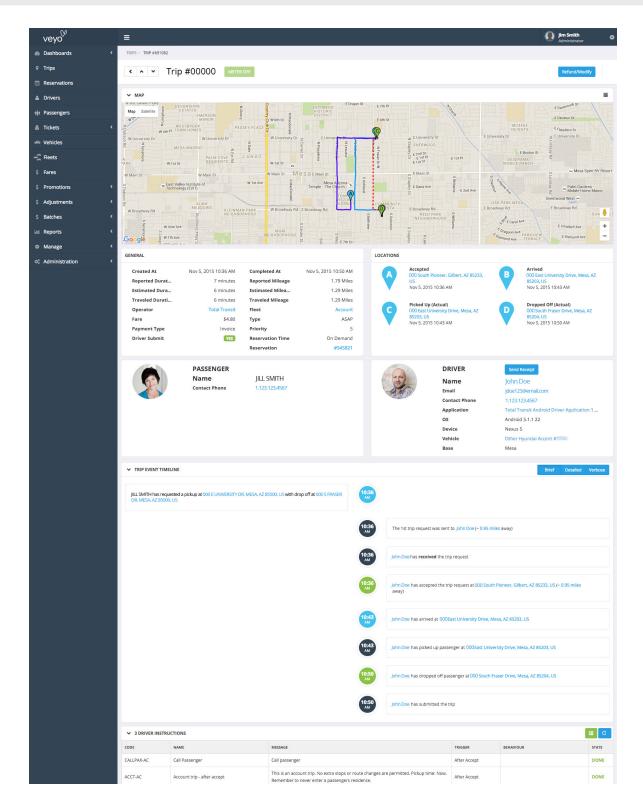
# A Technology and Operation Platform Designed for NEMT

The Veyo platform offers a variety of tools for both drivers and health plans - including driver apps, customer portals, call center portals, and healthcare facility portals - all specifically designed to manage healthcare transportation. This purpose-built design allows Veyo to ensure that each member is serviced in line with any special needs or considerations that are in their profile and that proper HIPAA/PHI best practices are followed at all times. The platform also allows Veyo to:

- enforce a wide variety of benefit guidelines and eligibility requirements
- manage utilization and cost controls for Medicaid plans
- automatically detect and flag potential fraud, waste, and abuse
- ensure appropriate utilization of NEMT services
- manage and remove drivers from the system for inappropriate behavior or violations
- digitally record all trip events and member interactions for grievance and incident investigations

Each IDP receives trip information through the Veyo Driver App. Specific trip instructions (e.g. if a member needs extra load time) are passed to and confirmed by the driver when they accept a trip. Specific health plan protocols (e.g. trip limits, mileage restrictions) are also built into the member's profile and applied to each trip. In addition to providing the IDP with specific trip-related instructions, the Veyo Driver App also offers text or phone communication between members and drivers. Communications occur through a temporary phone number to protect both driver and passenger privacy. The Driver App allows for complete tracking of every trip, including trip instructions, driver/member communications, and GPS-related location data. Veyo teams review trip information on an ongoing basis to identify coaching and training needs.





**Trip Data:** Full details on every trip, including trip instructions, member and driver communications, and GPS-related trip data, can be viewed in the Veyo system.



Based on real-world experience, Veyo has made the following adaptations to its IDP model and strongly recommends that TNC systems deployed in Medicaid be required to include these provisions with respect to technology and operations:

**Technology must be able to accommodate communication and documentation of healthcare-specific needs in HIPAA-compliant fashion:** This includes member's mobility needs; intellectual, physical, or situational challenges that require the driver's attention; trip reason; plan policies/rules; and additional risks or cautions.

**NEMT systems must be designed to document and record all aspects of the trip for incident or grievance investigation:** This includes phone calls for trip requests, driver actions, time/GPS stamps, and driver/member calls and texts.

**NEMT systems must be able to facilitate the detection of fraud, waste, and abuse:** This includes detecting whether the member was actually transported during a trip, whether the vehicle drove a sensible route, whether the member was dropped off/picked-up at a facility that delivers a covered medical service, and other suspicious patterns of use.

Processes/systems must be established to detect inappropriate driver behavior and initiate retraining or removal from the program: This includes a direct line for NEMT staff to detect and investigate behavior, provide coaching or training, or immediately remove a driver from the program.



# Managing NEMT Economics and TNC Supply

Managing a consumer TNC system requires access to technology and economic levers that can alter supply and demand. Sudden and extreme changes in demand are common and can be driven by time of day, seasonal patterns, special events, and unexpected changes in weather or emergency conditions.

When supply and demand are mismatched, consumer TNCs often double or triple trip prices to increase driver compensation, thereby generating more supply and reducing demand by dissuading consumers with higher costs. While these price changes help decrease demand in the consumer space by causing consumers to hold off on calling transportation, those tactics won't work for NEMT. A dialysis patient can't delay their transportation just because it happens to occur at a busy time of day or during a special event. In addition to affecting the price of a single trip, these price changes shift the cost of transportation across the entire marketplace, as rideshare drivers often work for multiple companies, and supply will gravitate to where compensation is highest.

Medicaid NEMT reimbursement is not configured to adjust and flex to constantly changing market conditions, and healthcare payers need a stable, reliable cost structure to operate. Veyo has developed the expertise and technology to manage constantly fluctuating and often unpredictable supply patterns and costs, which leads to the consistent trip-level economics and cost stability that payers are looking for. Veyo has developed incentives and compensation plans for drivers that reward commitment to servicing Veyo's demand patterns regardless of whether other companies may be offering temporarily higher compensation. By developing a strong contingent of drivers that are committed to serving the needs of Medicaid members first, Veyo is able to ensure an adequate supply network at all times.



# Success Stories: Capacity Management

#### October 1, 2018 Health Plan Transition

On October 1, 2018, AHCCCS Complete Care was launched. This new integrated system joined together physical and behavioral health services to better treat all aspects of a members' health care needs under a chosen health plan. This affected five of Veyo's health plan customers in Arizona, shifting almost 160,000 new Medicaid members to their plans on October 1.



In order to prepare for the shift and ensure members were

serviced reliably, Veyo used both predictive analytics and knowledge of plan member growth to recruit and direct IDP capacity to where it would be most needed on October 1. By strategically placing IDPs throughout the region, Veyo IDPs were able to maintain excellent service during the transition, with an on-time rate of 95.7% for the 7,600 trips completed on that day.

### **Phoenix Open**

Every year, the Waste Management Phoenix Open brings over 700,000 attendees to the Scottsdale area. Knowing the challenges that may come from the consumer demands of the event, Veyo created a custom program for select IDPs to ensure uninterrupted service for members. While consumer TNCs were offering higher rates during the event, they weren't offering guaranteed trips.

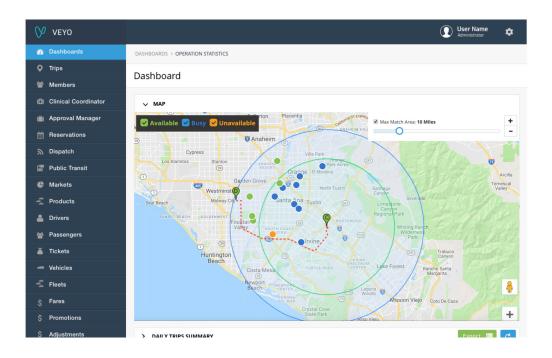
Using past data to predict supply needs for the event timeframe, Veyo targeted a group of 250 top-tier IDPs based on their performance metrics and trip history. Chosen IDPs were offered select incentives on an opt-in basis and over 150 IDPs signed on to drive exclusively with Veyo during the Open, guaranteeing a total of 556 hours of driver time during the three busiest driving days. This ensured there was more than enough capacity to serve the demands of the Medicaid and Medicare populations during that busy week, and allowed Veyo to service trips during the Phoenix Open with a 92.8% on-time rate.



Based on real-world experience, Veyo has made the following adaptations to its IDP model and strongly recommends that TNC systems deployed in Medicaid be required to include these provisions with respect to managing supply and demand:

**NEMT systems must be designed to control supply with more than just economic levers:** While traditional consumer TNCs can pass inflated pricing onto the passenger,

NEMT trips must operate within a reliable cost structure.



**NEMT fleets must consist of a committed fleet of drivers :** While a traditional consumer may be disappointed if their ride arrives late, an NEMT passenger may face serious health risks if late to an appointment. Supply must be consistent and committed to ensure transportation for each passenger.

**NEMT systems must predict future demand and prepare accordingly:** During special events and high-usage times, NEMT systems must plan ahead and ensure adequate supply without altering marketplace pricing.



## Conclusion

In just three years, Veyo IDPs have completed over six million trips in the Arizona AHCCCS market and brought a more reliable, faster, higher quality, and lower cost service to Arizona's Medicaid members. Veyo has increased the Arizona NEMT capacity by over 3,000 vehicles, while the capacity of traditional NEMT fleets has continued to decline. Arizona has proven to be the ideal market for the deployment of the Veyo Model, and Veyo will continue to learn and apply those learnings as they expand throughout the state of Arizona and the rest of the country.

When a Managed Care Organization or state agency is considering their options for NEMT, Veyo strongly recommends careful consideration of its recommendations around:

- Driver and Vehicle Credentialing and Contracting
- Technology and Operational Platforms Designed for NEMT
- Managing TNC Supply and Economics in a Medicaid Environment

Veyo believes these recommendations will help to ensure the best quality service for Medicaid members.

For more information on Veyo's efforts in Arizona, please visit our website at veyo.com or you can reach us via email at info@veyo.com.