



Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Dennis R. Schrader, Secretary

MEMORANDUM

To: Transportation Grant Managers

From: John R. Pelton, Supervisor
Medical Assistance Transportation & DME Unit
Office of Long Term Services & Support

Subject: Resolution of Unanticipated Transportation Vendor Invoices from a Prior Fiscal Year

Date: June 10, 2021

Note: Please ensure the appropriate staff members in your organization are informed of the contents of this memorandum and retain it for future reference.

This memo serves as follow up guidance regarding NEMT Grantees ability to pay transportation vendor invoices not otherwise accounted for with diligent end-of-fiscal-year reconciliation and accrual of grant expenses for Purchase of Care.

As part of the Memorandum of Understanding and as a Condition of Award, Grantees are required to project the dollar amount of authorized program expenses utilizing trend analysis, tracking of authorized transports, and generally accepted accounting principles (GAAP) to ascertain, as accurately as possible, the need for budget supplements, modifications, and accruals. The accrual of unpaid expenses at the end of each fiscal year, for the purpose of recording the expenses in the fiscal year in which they were incurred, shall be the responsibility of the Grantee. This responsibility will be satisfied upon entry of the required information in either FMIS or via the Department of Grants and Local Health Accounting process, as appropriate for your jurisdiction, and with the submission of documentation of the accrual to MDH.NEMT@Maryland.gov.

The accrued amount should be enough to cover all expenses in one fiscal year that are not invoiced or paid until the following fiscal year. In the event that, in spite of diligence and best practices, an accrual amount is not sufficient to cover transportation services, current fiscal year grant funds are to be used to cover invoices for eligible and qualified NEMT transportation vendor invoices submitted within the contractually required time-frame. Payment of these expenses should follow your normal payment process. The Office of Long Term Services and Supports shall be made aware of these payments to transportation vendors via email to MDH.NEMT@Maryland.gov, prior to the payment being made.

The contents of this memo are effective immediately. Please contact John Pelton at 410-767-2862 should you have any questions regarding this policy.