NEW YORK STATE | Office of the Medicaid Inspector General

OMIG AUDIT PROTOCOL
Transportation Taxi / Livery
Revised 07/22/2026

(For Service Dates 03/15/2016 through 07/16/2026)

Audit protocols assist the Medicaid provider community in developing programs to assess and improve compliance with Medicaid requirements under federal and state laws and regulations. Audit protocols are intended solely as guidance to explain or clarify applicable laws, rules and procedures. This guidance does not constitute rulemaking by the New York State Office of the Medicaid Inspector General (OMIG) and is not intended to create a substantive or procedural right or benefit enforceable, at law or in equity, by any person. The audit protocols do not alter any statutory or regulatory requirement and the absence of any statutory or regulatory requirement from a protocol does not preclude OMIG from enforcing the requirement. The requirements in the statutes and regulations govern, regardless of any omission, conflict, or discrepancy in the protocols.

A Medicaid provider's legal obligations are determined by the applicable federal and state statutory and regulatory law. Medicaid providers are subject to audit and claim review pursuant to N.Y. Public Health Law § 32(14) and under Section 504.8 of Title 18 of the New York Codes, Rules and Regulations (NYCRR). Audit protocols do not encompass all the current requirements for payment of Medicaid claims for a particular category of service or provider type and, therefore, are not a substitute for a provider's obligation to review relevant laws and regulations. Pursuant to 18 NYCRR 504.3(i), it is the provider's duty "to comply with the rules, regulations and official directives of the department." This guidance is not legal advice. OMIG cannot provide individual advice or counseling, whether medical, legal, or otherwise. If you are seeking specific advice or counseling, you should retain or hire an attorney, or contact a licensed practitioner or professional, a social services agency representative, or an organization in your local community.

Audit protocols involve OMIG's application of articulated Medicaid agency policy and the exercise of agency discretion. Audit protocols are used as a guide in the course of an audit to evaluate a provider's compliance with Medicaid requirements and to determine the propriety of Medicaid expended funds. In furtherance of this effort, OMIG will apply the audit protocol in conjunction with relevant laws and regulations, to any relevant contemporaneous records maintained by the provider and made available for OMIG's review to substantiate a claim.

OMIG, consistent with state and federal law, can pursue civil and administrative enforcement actions against any person or entity that engages in fraud, abuse, illegal or improper acts, or unacceptable practices perpetrated within the Medicaid program. (SSA § 1128J; N.Y. Public Health Law § 32; and New York Social Services Law § 145-b). Furthermore, audit protocols do not limit or diminish OMIG's authority to recover improperly expended Medicaid funds and OMIG may amend audit protocols as necessary to address identified issues of non-compliance. Additional reasons for amending protocols include, but are not limited to, responding to a hearing decision, litigation decision, or statutory or regulatory change.

1.	Missing / Incomplete Documentation
OMIG Audit Criteria	If any item listed below is not included in the contemporaneous documentation to substantiate the claim, the claim will be disallowed. Documentation must include the following information for both legs of the trip: 1. Recipient name and Medicaid identification number 2. Date of service 3. Origination of trip 4. Destination of trip 5. Time of pickup 6. Time of drop off 7. Vehicle license plate number 8. Printed full name of driver 9. Driver's license number 10. Signature of driver 11. Attestation from driver that trip was completed **NOTE:** The following items presented as the *only* evidence of a trip **are not** considered acceptable documentation: a driver / vehicle manifest or dispatch sheet; prior authorizations or roster; or an attendance log from a day program. However, these documents may be considered supplemental to additional required documentation and can be presented to supplement required documentation.
Regulatory References	18 NYCRR § 505.10(e)(8) NYS Medicaid Program Transportation Manual, Policy Guidelines **For Services 08/25/23 and After:** Version 2023-1, Section 2.5 **For Services 03/15/16 through 08/24/23:** Versions 2016-1 through 2019-1, Section II NYS DOH Medicaid Update, January 2016, Vol. 32, No. 1 NYS DOH Medicaid Update, December 2015, Vol. 31, No. 13 NYS DOH Medicaid Update, August 2010, Vol. 26, No. 10

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2.	**Missing / Incorrect Information on Medicaid Claim**
OMIG Audit Criteria	If the following information is missing or incorrect, the claim will be disallowed: 1. Effective 5/24/2018, **missing** or **incorrect** driver license number on the claim. 2. Effective 5/24/2018, **missing** or **incorrect** vehicle license plate number on the claim. 3. **Incorrect** procedure code on the claim. **Note:** If the procedure code on the claim is incorrect, the difference between the amount of the billed procedure code and the correct procedure code will be disallowed.
Regulatory References	NYS Medicaid Program Transportation Manual, Policy Guidelines **For Services 08/25/23 and After:** Version 2023-1, Sections 2.3 and 2.7 **For Services 03/15/16 through 08/24/23:** Versions 2016-1 through 2019-1, Section III New York State Billing Guidelines, Transportation Versions 2011-1 through 2026-1, Section 2 NYS DOH Medicaid Update, April 2018, Vol. 34, No. 4 NYS DOH Medicaid Update, December 2015, Vol. 31, No. 13

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3.	**Excessive Mileage Claimed**
OMIG Audit Criteria	Mileage shall be measured from the first pick-up to the last drop-off location of the recipient. Effective August 1, 2019, claims for loaded mileage must be reported as fractional units to the tenth of a mile. The amount paid in excess of the amount of the correct mileage will be disallowed. **NOTE: APPLICABLE TO NYC ONLY -** New York City has established fixed reimbursement rates for trips occurring inside a borough (inside common medical market area) and outside a borough (outside common medical market area). When a trip occurs within any of the five boroughs, extra mileage should not be ordered. • NYC Mileage Claims: All non-emergency medical transportation mileage is paid after 8.0 passenger-laden miles, from mile 8.0 to the end of the passenger-laden trip. • NYC Ambulette / Livery Surcharge Claims: The Department will pay a one, per-trip, flat fee add-on per Medicaid passenger for one-way trips exceeding 3.0 miles in duration and originating from or ending at a destination below 110th Street in Manhattan.
Regulatory References	**For Services 08/25/23 and After:** NYS Medicaid Program Transportation Manual, Policy Guidelines Version 2023-1, Sections 2.3 and 2.7 **For Services 08/01/19 and After:** NYS DOH Medicaid Update, May 2019, Vol. 35, No. 6 **For Services 09/15/14 through 08/24/23:** NYS Medicaid Program Transportation Manual, Policy Guidelines Versions 2014-1 through 2019-1, Section III

4.	**Non-Reimbursable Tolls and/or Parking Fees**
OMIG Audit Criteria	When submitting a claim for parking or tolls, the provider must replace the maximum dollar amount with the actual costs incurred while transporting the recipient. The difference between the amount that was paid and the actual amount of the toll or parking fee will be disallowed. **NOTE:** For services 8/25/2023 and after, non E-Z Pass customers who pay tolls by mail will only be reimbursed at the E-Z Pass rate on the date of service.
Regulatory References	18 NYCRR § 504.3(f)-(i) NYS Medicaid Program Transportation Manual, Policy Guidelines **For Services 08/25/23 and After:** Version 2023-1, Section 2.7 **For Services 09/15/14 through 08/24/23:** Versions 2014-1 through 2019-1, Section III **For Services 02/01/22 and After:** NYS DOH Medicaid Update February 2022 Vol. 38, No. 2

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5.	**The Medical Service Could Not Be Corroborated for the Transportation Service Provided**
OMIG Audit Criteria	Transportation services are limited to the provision of passenger-occupied transportation to and/or from Medicaid-covered services. Claims paid for transportation services that were not to or from the location of a covered Medicaid service will be disallowed.
Regulatory References	18 NYCRR § 505.10(a) NYS Medicaid Program Transportation Manual, Policy Guidelines **For Services 08/25/23 and After:** Version 2023-1, Section 2.2 **For Services 09/15/14 through 08/24/23:** Versions 2014-1 through 2019-1, Sections II and III

6.	**Claim Billed for Date of Service After Medicaid Member's Date of Death**
OMIG Audit Criteria	If the recipient's date of death is prior to the date of service, the claim will be disallowed.
Regulatory References	18 NYCRR § 504.3(e)-(i) 18 NYCRR § 518.1(c)

7.	**Vehicle Not Owned, Leased or Registered by Provider or Not Insured to Provider**
OMIG Audit Criteria	**For Taxi Services Only:** A provider must own the vehicle outright or be personally responsible for the vehicle pursuant to a vehicle lease agreement. It is unacceptable for a Medicaid-enrolled transportation service provider to enter into any arrangement whereby the provider uses or leases vehicles registered / leased to, insured by, and/or maintained by another individual or entity. Further, vehicles must be insured and maintained by the Medicaid-enrolled transportation provider. The provider may only enter into a lease agreement with a motor vehicle manufacturer or with a licensed vehicle dealership. Vehicle lease agreement and registration must be in the name of the Medicaid-enrolled transportation service provider. The claim will be disallowed if the vehicle used on the date of service was not owned, leased or registered by the provider or not insured to the provider.
Regulatory References	NYS Medicaid Program Transportation Manual, Policy Guidelines **For Services 08/25/23 and After:** Version 2023-1, Section 2.4 **For Services 03/15/16 through 08/24/23:** Versions 2016-1 through 2019-1, Section II NYS DOH Medicaid Update, December 2015, Vol. 31, No. 13

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8.	**Provider Used Subcontractor to Provide Transportation Service**
OMIG Audit Criteria	**<u>For Taxi Services Only:</u>** Medicaid program transportation service providers are personally and directly responsible for transporting Medicaid enrollees. These responsibilities may not be assigned, delegated or subcontracted out. The claim will be disallowed if the provider used a subcontractor to provide the medical transportation service for date of service.
Regulatory References	NYS Medicaid Program Transportation Manual, Policy Guidelines **For Services 08/25/23 and After:** Version 2023-1, Section 2.4 **For Services 03/15/16 through 08/24/23:** Versions 2016-1 through 2019-1, Section II NYS DOH Medicaid Update, December 2015, Vol. 31, No. 13

9.	**Provider's Livery Base Station Does Not have a Valid NYC TLC For-Hire Base License**
OMIG Audit Criteria	**<u>For Livery Services Only:</u>** Providers of livery services in NYC are not permitted to operate a business as a Livery Base Station without a Valid For-Hire Base License from the Taxi and Limousine Commission (TLC). Claims will be disallowed if the provider does not have a valid For-Hire Base License from the TLC for the date of service.
Regulatory References	18 NYCRR § 505.10(e)(6)(iii) Rules of City of New York Taxi and Limousine Commission (35 RCNY) § 59A-11(e)(2) NYS Medicaid Program Transportation Manual, Policy Guidelines **For Services 08/25/23 and After:** Version 2023-1, Sections 2.4 and 3.3 **For Services 09/15/14 through 08/24/23:** Versions 2014-1 through 2019-1, Sections I and II NYS DOH Medicaid Update, March 2016, Vol. 32, No. 3 NYS DOH Medicaid Update, November 2009, Vol. 25, No. 14

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10.	Driver is Not Taxi and Limousine Commission Licensed
OMIG Audit Criteria	**<u>For Livery Services Only:</u>** Drivers providing livery services in NYC, Nassau, and Westchester must have a Valid For-Hire driver license from the NYC Taxi and Limousine Commission. Claims will be disallowed if the driver does not have a valid NYC TLC For-Hire Driver License for the date of service. In instances where an ambulette vehicle is used to perform a taxi / livery service, the ambulette driver providing the taxi / livery service in an ambulette vehicle must be NYS DMV 19A qualified in lieu of the TLC licensing requirement for the date of service.
Regulatory References	18 NYCRR § 505.10(e)(6)(iii) Rules of City of New York Taxi and Limousine Commission (35 RCNY) § 59A-11(b)(1) Rules of City of New York Taxi and Limousine Commission (35 RCNY) § 59B-11(c)(1) NYS Medicaid Program Transportation Manual, Policy Guidelines **For Services 08/25/23 and After:** Version 2023-1, Sections 2.4 and 3.3 **For Services 09/15/14 through 08/24/23:** Versions 2014-1 through 2019-1, Sections I and II NYS DOH Medicaid Update, March 2016, Vol. 32, No. 3 NYS DOH Medicaid Update, November 2009, Vol. 25, No. 14

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