

Human Service Transportation Coordination Study

Summary Report



pennsylvania
DEPARTMENT OF TRANSPORTATION



pennsylvania
DEPARTMENT OF PUBLIC WELFARE



pennsylvania
DEPARTMENT OF AGING



pennsylvania
OFFICE OF THE BUDGET

July 17, 2009



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION
HARRISBURG, PENNSYLVANIA 17120

OFFICE OF
SECRETARY OF TRANSPORTATION

July 17, 2009

Honorable Edward G. Rendell
Members of the General Assembly

Dear Governor Rendell and Members of the General Assembly:

Human Service Transportation (HST) serves critical needs by providing access to medical care, jobs and important social services. For almost 30 years the commonwealth has ensured that affordable transportation is available to the people who need it. But now this transportation is threatened with escalating costs and increasing demands for service. In addition, local transportation providers cannot keep pace with consumer demands and the need for well-developed transportation management skills.

The enclosed study addresses these difficult issues. It identifies significant opportunities for a new program model to help sustain and enhance service for the long term and improve cost-effectiveness.

Act 44 of 2007 directed the Department of Transportation to conduct this study in response to a recommendation of the Transportation Funding and Reform Commission. The following key objectives guided the study process:

1. Improve customer service
2. Improve service delivery
3. Quantify human service transportation needs
4. Maximize service efficiency and control the rate of cost growth
5. Develop objective and measurable service criteria

Our top priority was to focus on the people whose quality of life depends on the mobility HST affords.

Human service transportation is administered and funded by the state through three separate departments, and service is delivered locally by more than 60 entities. The study has four major recommendations related to program management, service delivery and consumer input:

- 1) The commonwealth should move toward a coordinated approach to HST management.
- 2) In partnership with local government, the commonwealth should pilot a regional approach to HST management and service delivery.
- 3) The commonwealth and local government should conduct listening sessions on the design of the coordinated program as well as the pilot to ensure that consumer needs are known and understood.
- 4) In partnership with local government, the commonwealth should establish performance criteria, standards and targets to measure the efficiency, productivity and effectiveness of human service transportation.

We believe the study directive established by the General Assembly in Act 44 will produce significant benefits for both those who depend on HST service and those who pay for it.

We hope you find these comprehensive recommendations helpful, and we look forward to working with you.

Allen D. Biehler, P.E.
Secretary of Transportation

Estelle B. Richman
Secretary of Public Welfare

John Michael Hall
Secretary of Aging

Mary Soderberg
Secretary of the Budget



Contents

| | |
|----|--|
| 2 | Human Service Transportation in Pennsylvania |
| 6 | HST Trends |
| 12 | Commonwealth Program Management |
| 14 | HST Evaluation |
| 20 | Study Findings |
| 30 | HST Recommendations |
| 36 | Summary |
| 38 | Appendix A - Project Teams |
| 40 | Appendix B - HST Providers |

What is

Human Service Transportation in Pennsylvania?

Human Service Transportation (HST) provides affordable, accessible, individualized transportation for people with limited mobility options. Shared ride transportation services are the backbone of Human Service Transportation in Pennsylvania. Shared ride transportation service available in all 67 Pennsylvania counties is locally managed and operated, providing curb-to-curb passenger pick-up and drop-off. Prior day advance reservation is required and service is open to the public. Fares are charged for every trip. **Each of 59 local shared ride transportation providers** (see Appendix B for a county by county list) **determines how its shared ride transportation service operates.**

The two largest Commonwealth Human Service Transportation programs are the Department of Public Welfare's (DPW) Medical Assistance Transportation Program and PennDOT's Shared Ride Programs for Senior Citizens and Persons with Disabilities.

- The **Medical Assistance Transportation Program (MATP) is a state and federally funded program** providing transportation to medical services for Medical Assistance consumers who lack transportation alternatives. Federal policy has established that the lack of transportation cannot be a barrier to accessing medical care. Medical Assistance eligible persons pay nothing for transportation to authorized medical services.
- The **Shared Ride Programs for Seniors and Persons with Disabilities are state-funded programs** - PennDOT reimburses shared ride service providers 85% of the fare for persons 65 years or older and for persons with disabilities. Senior passengers, passengers with a disability, or third party sponsors pay 15% of the fare.

The Commonwealth recognizes that the transportation needs of seniors, persons on Medical Assistance and persons with disabilities are complex and require special services. The study finds that:

1. *Program costs have increased.*
2. *Competition for funds has also increased.*
3. *Significant opportunities exist to achieve economies of scale through the integration of management and service delivery.*

Integration should be undertaken in measured, carefully constructed steps to ensure quality customer service and management control.

Who Needs HST?



"My father will die without access to chemotherapy three times per week and my mother cannot drive anymore. We need affordable, accessible transportation so my father can continue to live at home."

"I have a disability that prevents me from driving. I cannot work or live independently without public transportation. Without work I will be entirely dependent upon welfare. My job is important to my well-being and makes me a productive part of society."

"I cannot take my child to a doctor for routine visits or when she is ill without the Medical Assistance Transportation Program. Even with my part-time jobs I can't afford a reliable car or gas and there is no bus or taxi service here."

"My mother cannot get to dialysis without affordable public transportation. She lives at home. My work schedule prevents me from taking her to dialysis. Without shared ride transportation she may have to go into a nursing home."

"My father cannot take care of himself and cannot be left alone while I work. Without affordable public shared ride transportation service to adult daycare, I will have to quit my job to care for him."

The solution to each dilemma is affordable, accessible transportation. For almost 30 years, Pennsylvania has invested in affordable, accessible human service transportation (HST) for people with limited transportation options. Recent trends in healthcare, rising costs in transportation and state and federal budget constraints call into question the future of HST. For many people, HST is essential to life itself. Pennsylvania should take action to make transportation more efficient so these services will continue to be provided to those who need them.

**To sustain HST,
the Commonwealth should respond to:**

- Increasing transportation expenses
- Deficits of shared ride transportation providers
- Fares that increase too dramatically for individuals and programs to afford
- Increasing numbers of people and programs that need transportation
- Government budgets unable to maintain current funding

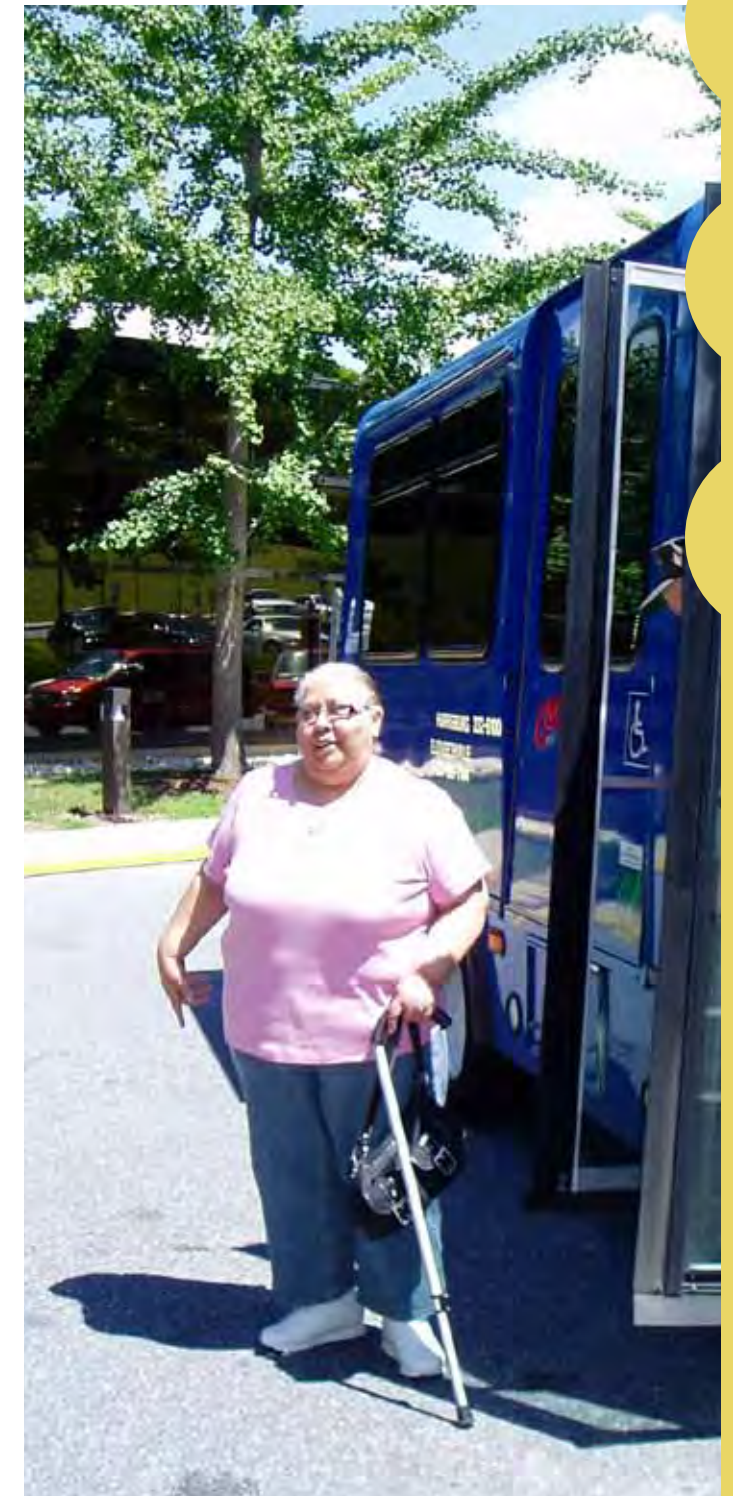
Without affordable, accessible transportation:

- Seniors trapped in their homes develop physical and mental health problems. The result can be costly interventions—hospitalization or institutionalization.
- Some individuals face a major barrier to employment. The result can be government dependence. In Pennsylvania **60% of persons with disabilities are unemployed.**
- Young adults with developmental disabilities will not have access to life skills and job training workshops.
- Individuals with long term care needs living in the community will not have access to services. Instead they will need institutional or inpatient care at a much higher cost to the Commonwealth.

HST contributes to managing healthcare and human service costs. Policymakers should consider the adverse societal effects of any serious disruption of human service transportation.

Much has changed since the 1980 inception of shared ride transportation service in Pennsylvania.

Local shared ride/HST providers currently struggle to meet these varied and complex consumer needs. In 1980, at the inception of shared ride transportation service in Pennsylvania, consumers, medical treatments and long term care were dramatically different. Transportation requirements were much simpler and easier to satisfy.* But much has changed since then. Transportation services must now support a more complex set of demographics, policies, programs and consumer expectations.



* Seniors traveled in groups to Senior Centers and shopping venues. Senior destinations were limited which increased trip productivity. MATP elected to use shared ride services to meet its consumers' transportation needs, increasing the number of trips and initially enhancing productivity. Most Medical Assistance consumers were in the fee for service system and were required to use the closest medical providers and pharmacies, limiting trip length. The Commonwealth met long term care and recovery needs in institutional and inpatient settings. Shared ride transportation providers were able to control service costs and maximize productivity by: limiting hours of service and geographic service area and grouping passengers on vehicles through coordinated pickup and drop off times. The rules and reporting requirements were simple, the trips were predictable and transportation providers controlled costs.

HST

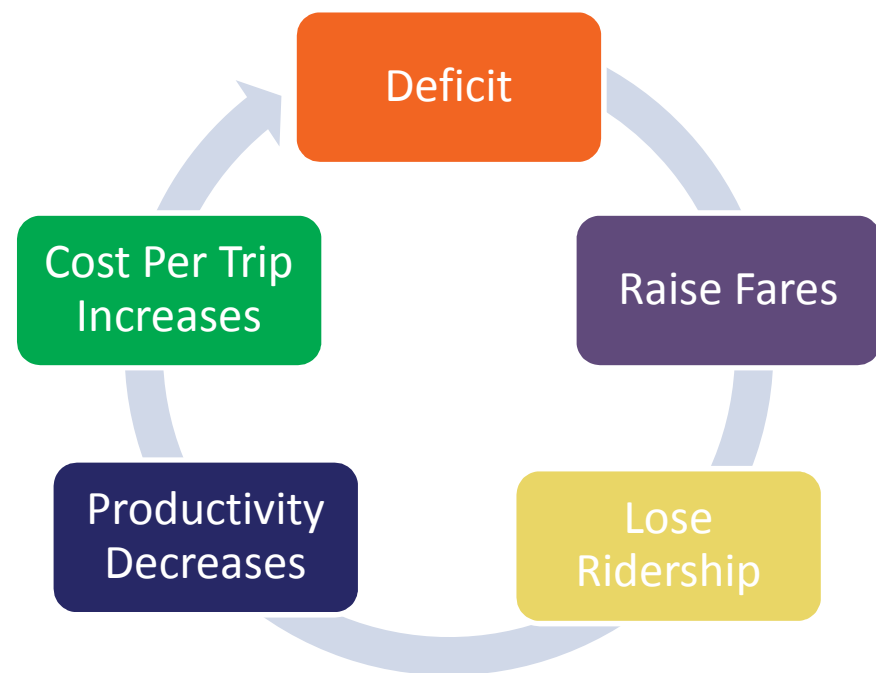
Trends

Changes in riders, trip types, policies and demographics have affected the ability of transportation providers to control costs, manage effectively, provide efficient service and meet new consumer demands.

Costs exceed revenue; fare increases have severe impacts.

The revenue from passenger fares and human service programs does not cover shared ride operating expenses in most counties. In some cases, shared ride transportation operators have raised fares—by as much as 70%—or have used other local funding sources to subsidize the service and balance the budget. See Figure 1 for the effect of fare increases on ridership, revenue and budgets.

Figure 1 – Effects of a Major Fare Increase



Major fare increases make shared ride transportation service **unaffordable for individual seniors and others who must pay 15% of the fare**—the average shared ride fare for a one-way trip is currently over \$15 (outside of Philadelphia and Allegheny Counties). A senior citizen or person with a disability will pay on average \$4.50 to leave and return home.



Major fare increases also affect Area Agencies on Aging (AAA) since AAAs frequently assist seniors with the 15% co-pay. In the 1980s and 1990s, many AAAs sponsored the full co-pay for all senior trips regardless of income or trip purpose. As budgets for AAAs remained flat over several years, many have significantly reduced their contribution for transportation. Now, as few AAAs sponsor the full 15%, seniors are required to pay more and transportation is becoming unaffordable—resulting in **declining ridership** and **lower passenger revenue** even with fare increases.

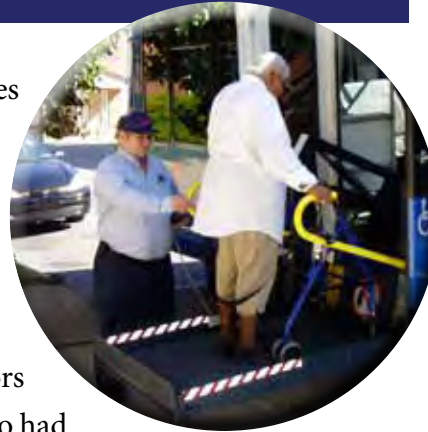
Persons with disabilities must also pay 15% of the fare. As fares increase, **fewer trips are affordable**. Even going to work may not be affordable for some persons.

WHO PAYS FOR HST?

- 94% from State and Federal funds
- At no cost to MA eligible persons to healthcare
- DPW pays 100% of fares
- 15% of fare to Seniors and persons with disabilities.
- Shared Ride programs pay 85% of fares.
- If fares do not cover expenses, local providers or counties bear the deficit.

More riders need more physical assistance— which slows service.

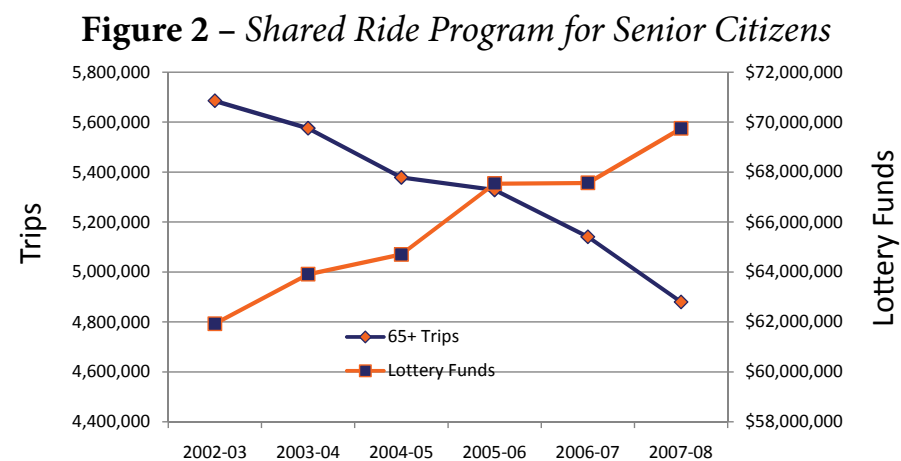
Senior citizens turn to shared ride services only when they can no longer drive—often in their mid 80s—and need considerable assistance to leave their homes. These trips are time consuming and costly.



In the 1980s, sixty and seventy year old seniors often needed public transportation. Women who had never learned to drive depended on husbands for transportation. When their husbands were no longer able to drive, they became dependent on shared ride transportation while they were still in good health and mobile. Now senior citizens often drive later into life.

Individual (vs. group) trips are increasing, resulting in higher costs per trip.

Many senior centers have experienced declining attendance over the past 10 years. Instead of “grouped trips” to local senior centers, now seniors more often use the service for individual medical and longer distance trips. In 1994 shared ride providers achieved a productivity level of 3.3 passenger trips per driver hour which fell to less than 2 passenger trips per driver hour in 2007, resulting in higher costs per trip. Declining ridership lowers productivity. Declining senior ridership and increasing program costs are shown in Figure 2.



The increasing proportion of MATP riders strains funding and capacity.

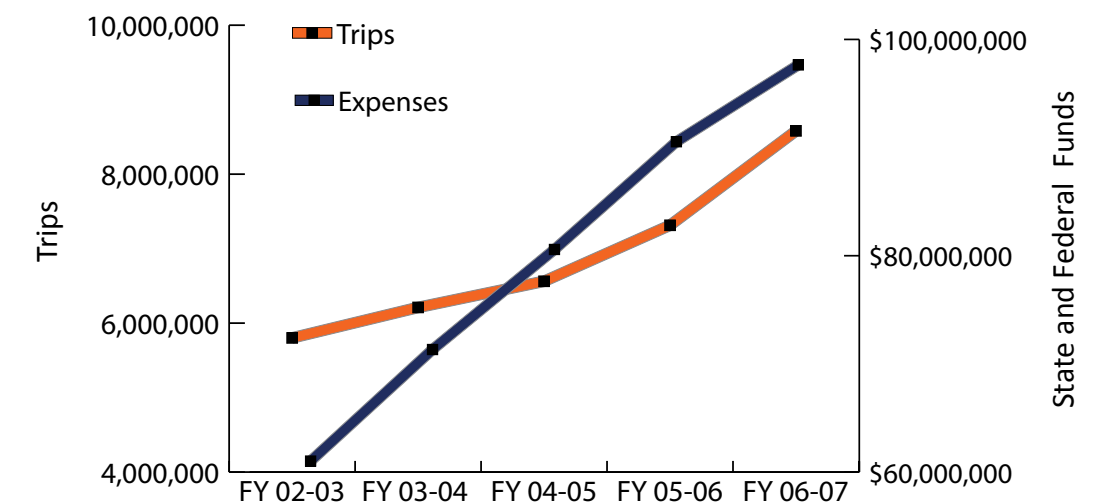
MATP trends in trips, reimbursement and consumers reflect dramatic increases which stress both program funding and transportation systems (see Figure 3):

- The percentage of Medical Assistance eligible consumers who use MATP to access healthcare has increased by more than 140% in the last 10 years, from 2.8% to 6.8%
- Over the past five years MATP costs have increased by 60% and trips by almost 50%.

The percentage of Medical Assistance consumers who also rely on MATP for transportation has grown significantly:

- 1999 – 2.8%
- 2003 – 4.3%
- 2009 – 6.8%

Figure 3 – MATP 2002 - 2007



Health care trends mean more—and longer—trips.

- Medical Assistance has expanded the use of managed care programs to offer consumers a greater choice of medical providers. Now, rather than seeing the closest medical provider, a consumer may be referred and need transportation to a provider 50 to 100 miles away.
- **Health care** has changed with greater emphasis on outpatient treatment. While this reduces overall healthcare/patient costs, consumers now require multiple trips for diagnosis, pre-testing, procedures and follow-up care—**increasing demand for transportation.**
- **Health care** has also changed with regard to the location of services. Healthcare professionals have consolidated practices. Services which were previously available in many locations are now in one location, creating the need for some individuals to travel between counties to access those services. Many shared ride providers limit service to county borders, limiting access to health care.
- **Pennsylvania is rebalancing its long term living system** shifting to home and community based services for seniors and persons with long term care needs. People residing in communities require transportation to essential human services—a **new demand for HST.**

New programs have created new travel demand.

- Since the late 1990s, new programs—Welfare to Work and Shared Ride for Persons with Disabilities—have created additional demand for individualized HST service, **stressing the local transportation systems and increasing the cost for each trip.** Individuals seeking employment need access to worksites beyond the artificial geographic boundaries of their counties.

60% of persons with disabilities are unemployed.

Economic conditions generate more demand while threatening revenue.

- The current **economic recession will drive more demand for HST.** Unemployment, underemployment, loss of retirement savings and stagnant wages cause increases in the number of people who require state funded services and use HST to reach them.
- **The global recession has put significant pressure on Pennsylvania's budget.** There are limits to the state funding that will be available to meet the needs of the ever growing numbers of consumers requiring HST services, to address the diversity of consumer needs and to support increasing costs for each trip.

These changes have occurred gradually. No one change had a significantly detrimental and immediate effect on transportation. **Neither state nor local managers could have predicted the cumulative effect of these changes.** There was no substantial modification of management or services. The trends and failure to adapt have contributed to the current transportation crisis.

Neither the existing transportation trends and financial challenges, nor this report, takes into consideration consumer requests for a higher level and more expensive service than is being delivered today (see sidebar).

While the Commonwealth recognizes that these needs exist, this study is focused on ensuring that existing service is sustainable within current funding levels. A firm foundation of transportation service is necessary prior to considering future service and program enhancements.

Senior citizens have requested:

- *discounts for same day service in addition to discounts currently offered for advanced reservation service and*
- *a lowering of the eligibility age from 65 to 60.*

Persons with disabilities have requested

- *extended hours for evening and weekend service.*

Medical Assistance consumers, seniors and persons with disabilities desire more opportunities to travel across county lines.

MA consumers would like medical attendants on board the vehicle and stretcher services for non-emergency situations.

Seniors and MA consumers have requested door through door rather than curb to curb service.

Commonwealth

Program Management

In addition to trends which have impacted HST, the Commonwealth's approach to the management of various HST programs has been driven by the role of each agency with regard to transportation.

PennDOT's Role

PennDOT's roles are to support public transportation and purchase transportation for consumer groups.

Because PennDOT does not directly manage local services or budgets, the Department does not prescribe management, or levels of service.

- ✓ Reimburses shared ride transportation systems for 85% of the fare for seniors and persons with disabilities.
- ✓ Provides capital assistance which enables shared ride transportation systems to maintain facilities and to purchase vehicles and equipment.
- ✓ Depends on local organizations to determine levels of service—days and hours, service area, fares, etc.—to deliver services within budgets based on their fare structures.
- ✓ Offers technical assistance to support effective planning and operations.

DPW's Role

As the state Medicaid agency, the Department of Public Welfare (DPW) purchases transportation services to meet the medical needs of its consumers.

- ✓ Reimburses shared ride transportation systems for the full fare of medical trips and for associated administrative expenses.
- ✓ Develops program guidelines, customer service and financial requirements to meet consumer needs and manage budgets.
- ✓ Provides block grants to counties based on expenditures and projected costs.
- ✓ Provides dedicated support staff for each region to ensure oversight and compliance with block agreements.

Department of Aging's Role

The Department of Aging depends upon local Area Agencies on Aging (AAAs) to meet the transportation needs of senior citizens in their regions.

- ✓ Provides funds to AAAs based on the local AAAs budget and resource requests of each local AAA.
- Local AAAs:
- ✓ Determine levels of support—senior transportation subsidy amounts per trip, eligible age groups and trip types—in each AAA support area.
 - ✓ Work with local shared ride transportation providers to subsidize 15% fare co-payments.

The Transportation Funding and Reform Commission* recommended an evaluation of human service transportation, which was subsequently required by Act 44 of 2007. The Secretaries of the Departments of Aging, Public Welfare and Transportation, and the Office of the Budget set the study direction by endorsing **Key Objectives**.

- 1 **Improve service delivery** to meet human service mobility needs by identifying all challenges and opportunities.
- 2 **Quantify human service transportation needs** and determine the type and level of service to cost effectively meet those needs.
- 3 **Maximize service efficiency and control the rate of cost growth** at the state and local levels to achieve long term sustainability.
- 4 **Improve customer service and responsiveness** to market across all programs.
- 5 **Develop objective and measurable criteria** for service standards, efficiency factors and customer satisfaction.



* By Executive Order in 2005, Governor Rendell established the Pennsylvania Transportation Funding and Reform Commission to study transportation funding, evaluate systems and make recommendations for change. Act 44 of 2007 is the legislative result of the Commission's report and recommendations.

Two additional groups were formed to support the HST evaluation (see Appendix A for a full listing of individuals and agencies):

- A **Steering Committee** comprised of Aging, Public Welfare, Transportation and Budget senior staff.
- A **Project Workgroup** of state program staff, transportation providers, stakeholder associations and local agency representatives.

The study approach consisted of five major areas—data gathering, simulation and modeling, communication and outreach, findings and recommendations.



Data Gathering



Pennsylvania serves a diverse HST consumer group—including senior citizens, persons with disabilities and low income individuals—traveling for many other purposes in addition to medical care. In most other states, MATP consumers are the predominant users of HST.

- ✓ **Interviews of Pennsylvania program staff** to :
 - » Understand their mission, roles and consumers
 - » Learn their processes for creating, maintaining and measuring their programs
 - » Discern the differences in program approaches and measures
 - » Gain their perspectives on how to improve HST at multiple levels
- ✓ **Interviews with program managers in other states** to:
 - » Understand their approach to HST
 - » Understand their rationale for considering and implementing a regional brokerage approach to MATP
 - » Quantify the financial and other benefits of a brokered regional approach to MATP
- ✓ **Interviews with MATP coordinators, shared ride transportation providers, county staff, associations and local human service agency staff** to document current conditions at the state and local levels with regard to:
 - » local goals and policies
 - » interpretations of state goals and policies
 - » perspectives of elected officials
 - » perspectives and challenges faced by transportation service providers
 - » data on ridership, reimbursement, average trip length and other operating statistics to establish program trends and conditions

- ✓ **Web surveys designed to receive input from county officials, human service program managers, transportation system managers, case workers, etc.** on local program management and service delivery, issues with transportation and suggestions for improvement
- ✓ **Review of the DPW 2008 request for information (RFI)** on a regional approach to managing and delivering MATP service and the responses to the RFI from local government, shared ride transportation providers and brokers to understand DPW's goals and explore strategies to achieve those goals
- ✓ **Collection of detailed data on the management and delivery of shared ride transportation service in six south central Pennsylvania counties—Adams, Cumberland, Dauphin, Franklin, Perry and York.** Data included:
 - » **Staffing**—management, reservationists, drivers, support staff, etc.
 - » **Finances**—line item detail on expenses and all sources of revenue
 - » **Operating statistics**
 - Annual information on trips by program and funding category; paid driver hours, vehicle miles
 - Three days of actual trip reservations and driver logs for each of the six shared ride transportation providers. Information included requested and actual times for pick up and drop off; trip origins and destinations and vehicle miles and hours.

This detailed data documented the “As Is” condition and provided the foundation for simulating a regional approach to managing and delivering shared ride services. Other states have adopted a regional approach and reported benefits—16 states were interviewed, 11 have implemented a regional approach and found significant benefits.

Simulation and Modeling

The study used sophisticated reservation/scheduling software and data collected from the shared ride transportation providers in the six study counties (see Figure 4) to analyze existing management and service delivery. Those results were compared to a model based on consolidation of the six county transportation providers.

Simulation modeling and financial analysis used actual trip and cost data and included:

Existing Conditions Analysis (“As Is” Model)

- ✓ Current management resources, practices and expenses
- ✓ Vehicle fleets and driver resources
- ✓ Current system rules and performance factors
- ✓ Trips, destinations and consumers served

Regional Service Delivery Simulation

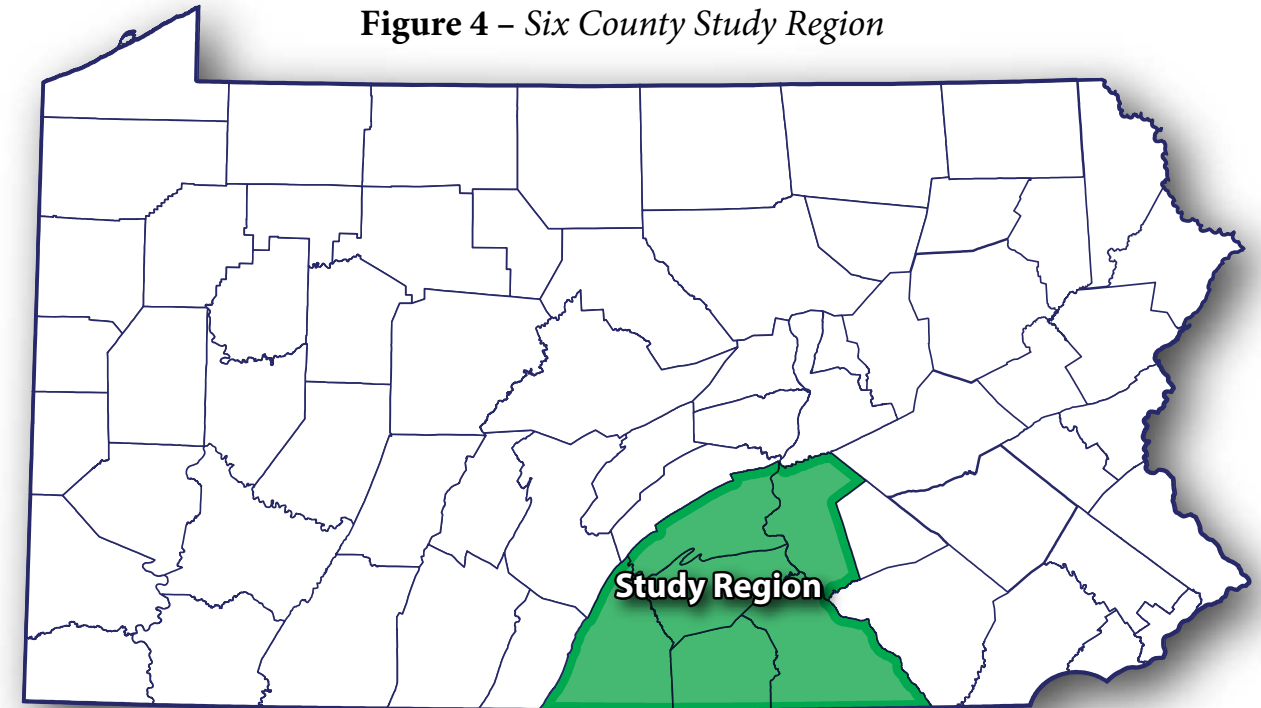
- ✓ Consolidated program management, reservations and scheduling
- ✓ Trip assignment to six transportation providers based on origin, destination and closest provider—no regard for county line boundaries

Service Delivery Comparison

- ✓ Measures efficiency and resource utilization between the existing and regional models
- ✓ Assesses customer service differences between the models using metrics such as on-time performance and length of time on board the vehicle
- ✓ Examines the potential effects of a regional approach on inter-county travel



Figure 4 – Six County Study Region



Communications and Outreach

The study process included communication with a wide range of interested parties in a variety of forums which informed data gathering, findings and recommendations:

- ✓ Secretaries and Steering Committee Meetings
- ✓ Project Work Group Sessions
- ✓ Legislative briefings
- ✓ Stakeholder workshops across the state
- ✓ Presentations and interaction at stakeholder sponsored events.

Study

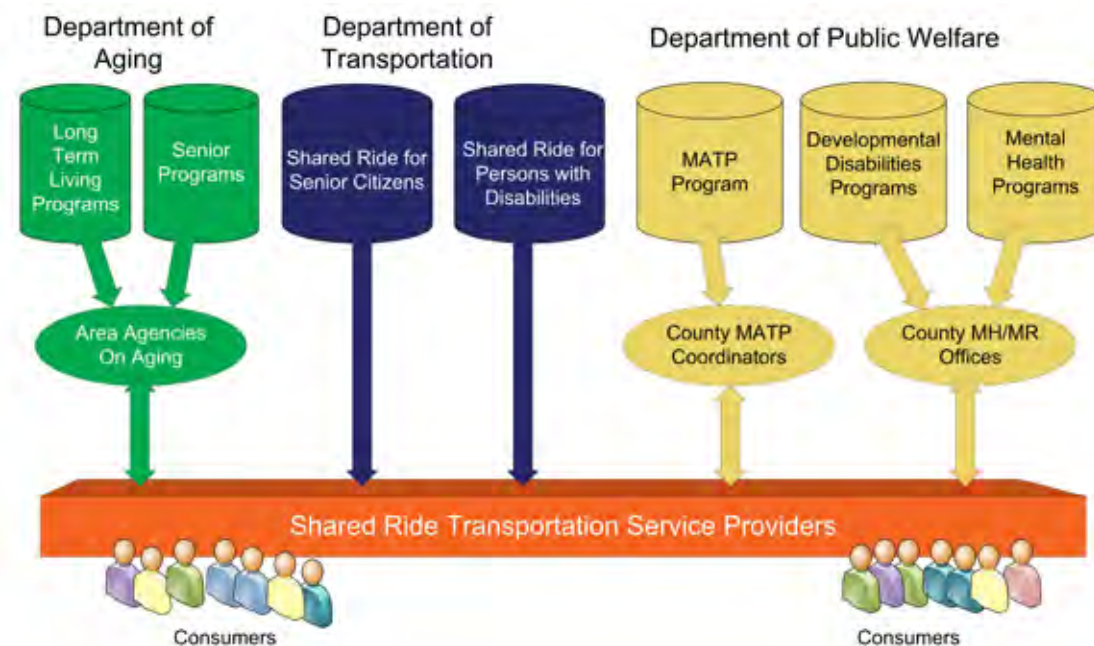
Findings

Finding#1

The Commonwealth's fragmented approach (see Figure 5) results in local providers submitting similar, but frequently inconsistent, data to different agencies resulting in unreliable data and the inability to analyze transportation for State planning and budgeting.

- Each state agency **independently** controls its own transportation programs, funding and reporting.
- Data definitions are neither standard nor comparable.
- Agencies develop human service programs without adequately considering transportation requirements and costs. Without the transportation element, program costs do not reflect the full cost to deliver the program.
- There is no meaningful or standard outcome measurement or program evaluation of HST performance.

Figure 5 – The Commonwealth's Fragmented Approach



Finding#2

The Commonwealth's fragmented approach results in policy and program conflicts, unnecessary complexity and inefficiencies at both the state and local levels.

- Each state agency independently communicates with local transportation service providers, develops policy, manages programs and supports providers relative to the specific goals and requirements of their distinct programs.
- The Commonwealth manages HST on a discrete program basis rather than in its entirety.
- The Commonwealth does not view HST in its entirety. Each state agency manages overlapping elements and no one agency can assess HST as a whole.
- Lack of communication and coordination among state agencies and programs results in additional time, labor and contention at both the state and local levels.
- State agencies manage programs through a vast number of local entities, unduly adding to organizational complexity, confusion and redundancy—see Figure 5.
 - » PennDOT contracts directly with 59 shared ride transportation providers
 - » Department of Aging contracts with 52 Area Agencies on Aging which subcontract with shared ride transportation providers
 - » DPW contracts with 50 MATP Coordinators which subcontract with shared ride transportation providers
 - » DPW administers programs through 48 Mental Health/Mental Retardation Offices which subcontract with shared ride transportation providers
- HST providers struggle to understand and implement varied and often conflicting rules of multiple state agencies.
- When issues arise, providers must deal with multiple Commonwealth agencies that do not work collaboratively and do not provide coordinated support.
- In order to receive state reimbursement, local agencies must effectively navigate conflicts and issues created by state policies.
- Multiple reporting systems and requirements at the state level cause duplication of labor and processes at the local level.

Finding#3

Local HST service delivery is unique in every county.

- Shared ride service delivery is a function of local resources, local priorities and geographical limitations unique to each county. Figure 6 illustrates the disparity among counties in the areas of management, finances, service delivery and technology.

Figure 6 – Disparity in HST among Counties

| Management/Organization Typically one agency is designated in a county to coordinate transportation for both MATP and Shared Ride. | | | | |
|---|---|---|---|---|
| MATP and Shared Ride may be managed by a transportation office in county government | MATP and Shared Ride may be managed by a local transit agency | MATP and Shared Ride may be managed by one transit agency providing service in one county or providing service for multiple counties. | The transportation agency may provide all service themselves or subcontract trip delivery and only manage the administrative elements of HST. | |
| Funding & Fares | | | | |
| Shared ride transportation fares are determined by each provider and may be flat rates or zoned fare structures. | The average cost of an MATP shared ride trip ranges from \$4 to \$100 among counties | Shared ride transportation is subsidized in some counties to keep fares low for constituents; other counties provide no subsidy. | Shared ride fares are subsidized by Local Area Agencies on Aging for seniors in some areas. The range of support is from total subsidy to no subsidy. | |
| Service Availability | | | | |
| Service may be available 9am to 3pm Monday through Friday with no weekend availability. | Service may be available 5am to 11pm Monday through Friday with weekend daytime availability. | Travel may be restricted to "in county only." | Travel may be allowed out of county for some trips. | Travel may be allowed to unlimited destinations |
| Resources | | | | |
| Some areas have multiple transportation providers and contractors to use, others have only one. | | Technology use ranges from paper and cell phones to schedule and manage transportation to the use of computers and Automated Vehicle Locators (AVLs). | | |

One prescriptive solution will not work in every county. Instead the solution should be goal-oriented and performance-based, allowing local entities to determine an approach that meets both state and local needs.



Finding#4

Shared ride fares for individuals and programs are high (averaging more than \$15 per one-way trip outside of Philadelphia and Allegheny Counties), but do not generate sufficient revenue to cover operating expenses.

- Local entities are contributing tax revenue and other transportation grant funds to support HST service.
- Without local contributions, Commonwealth programs, senior citizens and persons with disabilities will pay more for HST to remain at the same level of service.
- Fare increases often result in ridership decline, spiraling into lower productivity, higher per trip costs and additional fare increases.
- As an alternative to fare increases, service cuts impede the transportation providers' ability to meet needs.

Finding#5

Human service programs and transportation service complexities require a high degree of skills in business management, transportation delivery and transportation analysis for effective administration.

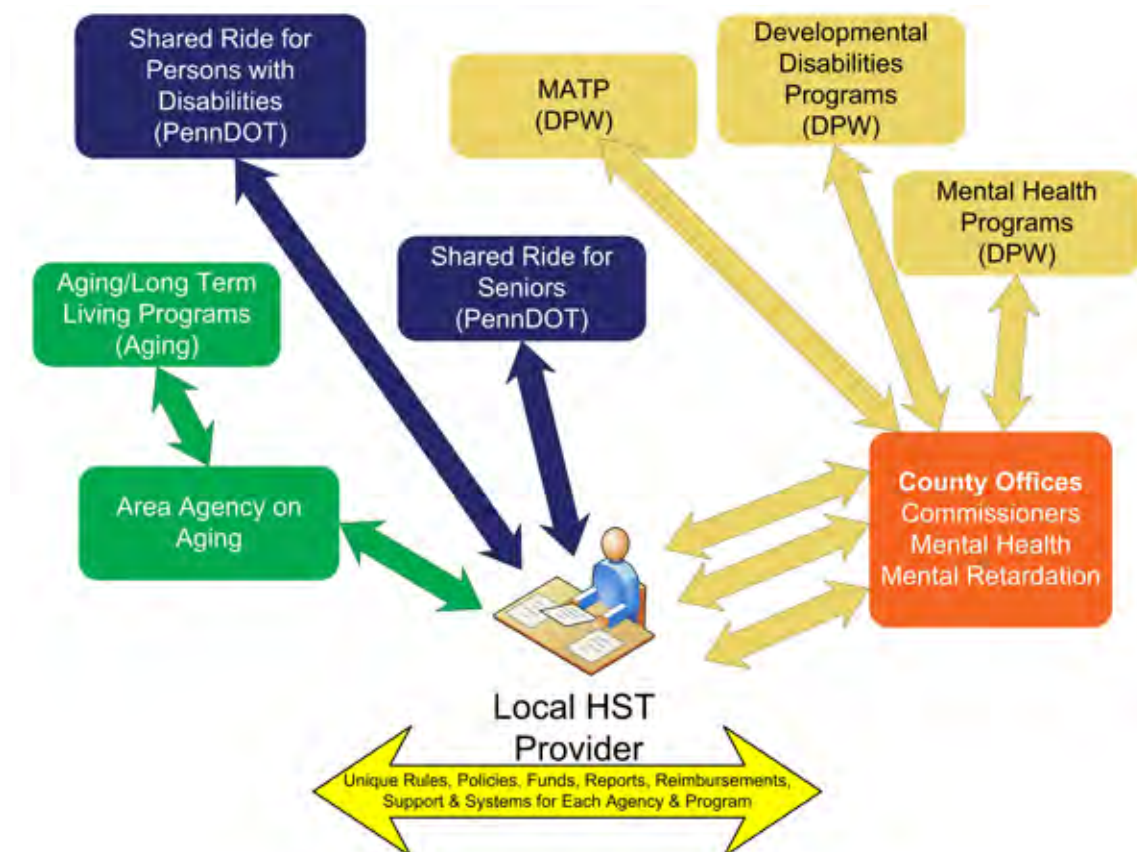
- Although trips are government funded, transportation is a business. That business delivers service and should generate revenue to cover the cost of delivering the service.
- Transportation management skills do not adequately support local planning, analysis and management.
- Transportation may not be as productive or as efficient as possible and necessary.
- Shared ride systems require local funding to balance budgets due to transportation trends and due to the lack of appropriate management skills.

Finding#6

Consumers have basic needs and expectations that are not being met.

- Transportation service should be easy to use; however, the unique attributes of each county's human service transportation and the complexities of the various programs confuse local human service agencies and consumers—see Figure 7.
- Consumers expect to arrive on time for work and appointments, but are often late.
- Consumers expect state programs to provide comparable service at comparable rates regardless of where they live in Pennsylvania, but again the unique attributes of each county result in significant disparities.
- Consumers are often limited to in-county trips rather than crossing the county line for a shorter, more convenient trip.
- Service cuts intended to balance budgets limit available service for consumers.

Figure 7 – How HST Works in A County



Shared Ride Myths:

Shared Ride trips may not be scheduled to out-of-county destinations.

Out-of-county trips are eligible for the Shared Ride program if the destination is included in the approved service area.

Same day service is not allowed.

Same day service trips may be delivered by shared ride providers, but they may not be billed to the Shared-Ride Program for the 85% discount.

Only trips with a destination approved/sponsored by the local AAA are eligible for the Shared Ride Program.

The Shared Ride Program does not limit trip purpose. If the AAA does not sponsor the co-pay, the senior passenger may pay the 15% themselves.

MATP Myths:

Under MATP, MA consumers can travel anywhere to get service.

MATP does arrange transportation for consumers within a limited network of medical providers that, at times, can be out of a county's approved service area. However, MATP coordinators should arrange with their local county assistance offices for any exceptional transportation that may require great distances for medical treatment not normally provided through regional medical providers. Exceptional transportation includes air travel.

MATP regulates transportation within counties.

Medical Assistance, similar to other human services programs, primarily purchases transportation within the existing transit and fare structure. All its requirements are designed to ensure access to medical appointments and quality service for MA recipients at a reasonable cost. They are not meant to prescribe how transportation programs should be operated. Nothing within MATP rules poses a barrier to counties and transit authorities designing transportation programs that meet the needs of the public in general, as well as those with special needs.

Finding#7

The regional consolidation of management and service delivery offers the greatest opportunity for improved efficiencies and cost savings.

Based on trip simulations and financial analysis, the potential savings related to operational improvements for the six-county study region using a regional approach is approximately \$1.1 million dollars per year, which represents an 8% gain in operating efficiency.

An additional \$0.6 million in efficiency, representing an additional 3% in cost reductions, is the result of administrative consolidation, and shifts to other modes (fixed-route and mileage reimbursement). These savings are net of the incremental costs associated with regional management.

Other contributing factors include:

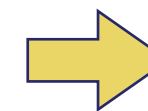
- 30% efficiency improvement for call takers and schedulers
- 5% increase in administrative efficiency related to accounting and reporting

The consolidation of functions streamlines work and eliminates duplicative activities resulting in cost savings — see Figure 8.



Figure 8 – Regional consolidation achieves administrative efficiencies

| HST Management in the Six County Study Region | |
|---|--------------------------------------|
| Current County Based Approach | Regional Approach |
| 6 Call centers | 1 Call center |
| 6 Sets of screeners/schedulers | 1 Set of screeners/schedulers |
| 6 Administrative offices | 1 Administrative office |
| 6 Sets of data analysts and reporters | 1 Set of data analysts and reporters |
| 6 Sets of accounting staff | 1 Set of accounting staff |



Finding#8

Regional service consolidation offers the greatest opportunity for increased service, quality and availability.

- In the simulation and modeling effort, trips were scheduled using the more stringent rules for MATP clients. Seniors and Persons with Disabilities experienced an increase in customer service. The regional approach provides potential for:
 - » Fuller utilization of existing vehicle and driver resources to provide service. With service quality standards and resources held constant, the regional model outperforms the current model by servicing more than 15,000 additional trips across the study region each year.
 - » Extended hours for reservations and service.



The Key Objectives include customer service improvements because costs are not the only issue at stake. Simulations addressed this need by scheduling trips using two performance criteria:

1. All consumers must be picked up within a 15-minute window on either side of the requested time.
2. No consumer can be on the vehicle for longer than one hour.

These criteria ensure improvements in reliability and on time delivery. The simulation also determined the level of service in the absence of these criteria. All of these improvements are possible at no additional cost in a regional approach. The specific improvements are quantified in Figure 9.

Figure 9 – Customer Service Outcomes in a Regional Approach Based on the Six County Study Area

| Customer Service Improvement | Improvement using Regional Approach |
|--|-------------------------------------|
| Service Availability (Driver and Vehicle Hours) | 6% increase |
| Trips Not Delivered within criteria, "Failed" Trips | 26% decrease |
| Trips Delivered more than 15 minutes late | 99% decrease |
| Trips with passengers on board for longer than 1 hour and 15 minutes | 32% decrease |
| Trips with passengers on board for longer than 1 hour 30 minutes | 99% decrease |

These findings are based on current vehicle availability in the six-county study area.

HST

Recommendations

HST programs are designed, managed and funded at the state level and administered and delivered at the local level. HST coordination should involve both state and local organizations for HST to be sustainable. The goal is to achieve improvements in cost containment, service availability and meeting current and future consumer needs.

Recommendation #1

The Commonwealth should move toward a coordinated approach to HST management.

Each state agency manages transportation based on its distinct programs and consumers. Under current conditions, no state agency can review human service transportation in its entirety nor establish coordinated HST policies or performance targets. Program management is often prescriptive, to address specific issues, rather than goal oriented. Over time, prescription results in a multitude of sometimes conflicting rules to be implemented at the local level, setting the stage for inefficient operations at both the state and local levels.

The Commonwealth should commit to developing and implementing a formal HST coordination approach that facilitates:

1. Developing one unified set of HST plans, policies and programs to support consumers and regional service delivery
2. Identifying unmet consumer needs across consumer groups
3. Recommending and evaluating cross agency improvements
4. Developing a single reporting method to share data and measure outcomes
5. Monitoring and evaluating Human Service Transportation performance
6. Supporting HST consumers and providers in a coordinated manner

Figure 10 presents some of the benefits of a coordinated HST management approach by state agencies.



There are many ways for the Commonwealth to achieve a high level of coordination while maintaining program control and oversight within agencies. Strategies for achieving coordinated management range from bringing staff from Aging, Public Welfare and Transportation together for regular meetings to formally consolidating program management. Basic coordination is already underway as a result of this study. To maintain momentum, agencies with human service transportation requirements, especially DPW and PennDOT, should commit to developing a detailed plan to improve interagency coordination by December 31, 2009.

As HST coordination achieves success, the Commonwealth could move toward more unified program management through Memorandums of Understanding among agencies, joint program offices, or other strategies that promote consolidation.*

Figure 10 – Benefits of Coordinated HST Management

- | | |
|---|---|
| • Ease the burden on local management | • Reduce redundancies and duplications of service |
| • Ensure state and local accountability | • Ensure consumer satisfaction |
| • Reduce conflicts among departments and programs | • Analyze service and program outcomes |
| | • Streamline support processes |

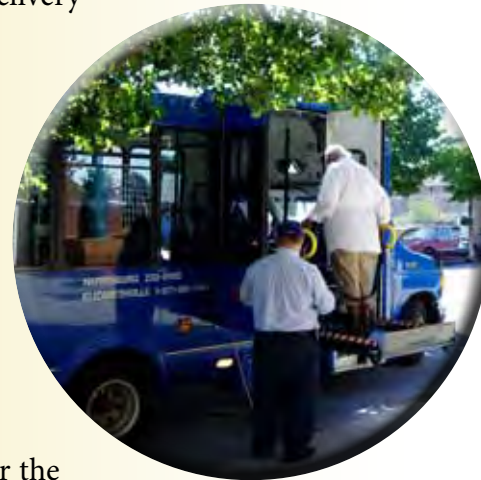
* The Departments of Public Welfare and Aging have significant experience with varied levels of program coordination and consolidation.

Regional Service Delivery Approach

A regional approach provides a structural means to achieve Human Service Transportation coordination by having one entity responsible for several counties' HST services. In a regional approach, administrative tasks such as call taking, eligibility screening, reporting, trip decisions and accounting are performed by one organization.

A regional approach could be implemented using a non-profit broker, a for-profit broker, an existing transportation provider, or any organization that:

- Assumes financial risk of HST delivery,
- Manages all aspects of HST service except trip delivery and
- Seeks the most appropriate and cost effective mode of transportation for each trip.



State agencies would use performance-based contracts to ensure that regional management organizations adhere to policies and customer service standards.

Concerns with a Regional Approach

The Commonwealth would assume more risk for the financial and operational health of HST based on the quality of its performance-based contracts with regional management.

Counties have expressed concerns that local control and quality of service might be compromised. The recommended performance based approach would address those concerns.

A regional approach offers the most potential for improving service while reducing expenses and controlling costs. However, because each county in Pennsylvania is so unique in its history and current conditions, a single approach may not be the best for all counties or regions. Other options include maintaining a county-based approach and facilitating better inter-county coordination while requiring adherence to performance standards.

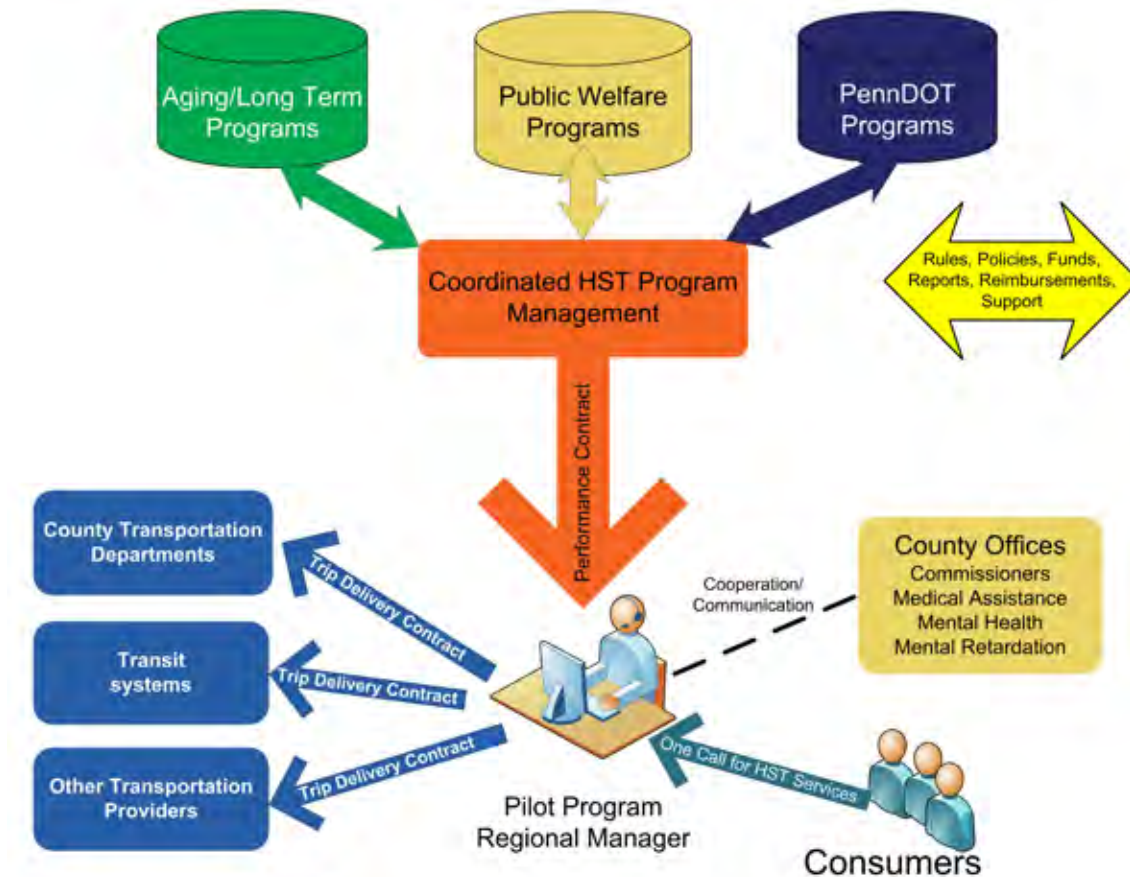
Recommendation #2

In partnership with local government, the Commonwealth should pilot a regional approach to HST management and service delivery.

The Commonwealth would work with a volunteer region to implement regional service delivery as a pilot program. Several regions in Pennsylvania are already in the process of coordinating service and would be likely candidates for the pilot program. Based on the pilot experience, the Commonwealth could revise its policies and approaches to regional delivery.

A new HST service delivery based on implementing Recommendations 1 and 2 is illustrated in Figure 11.

Figure 11 – State Program with Regional Pilot

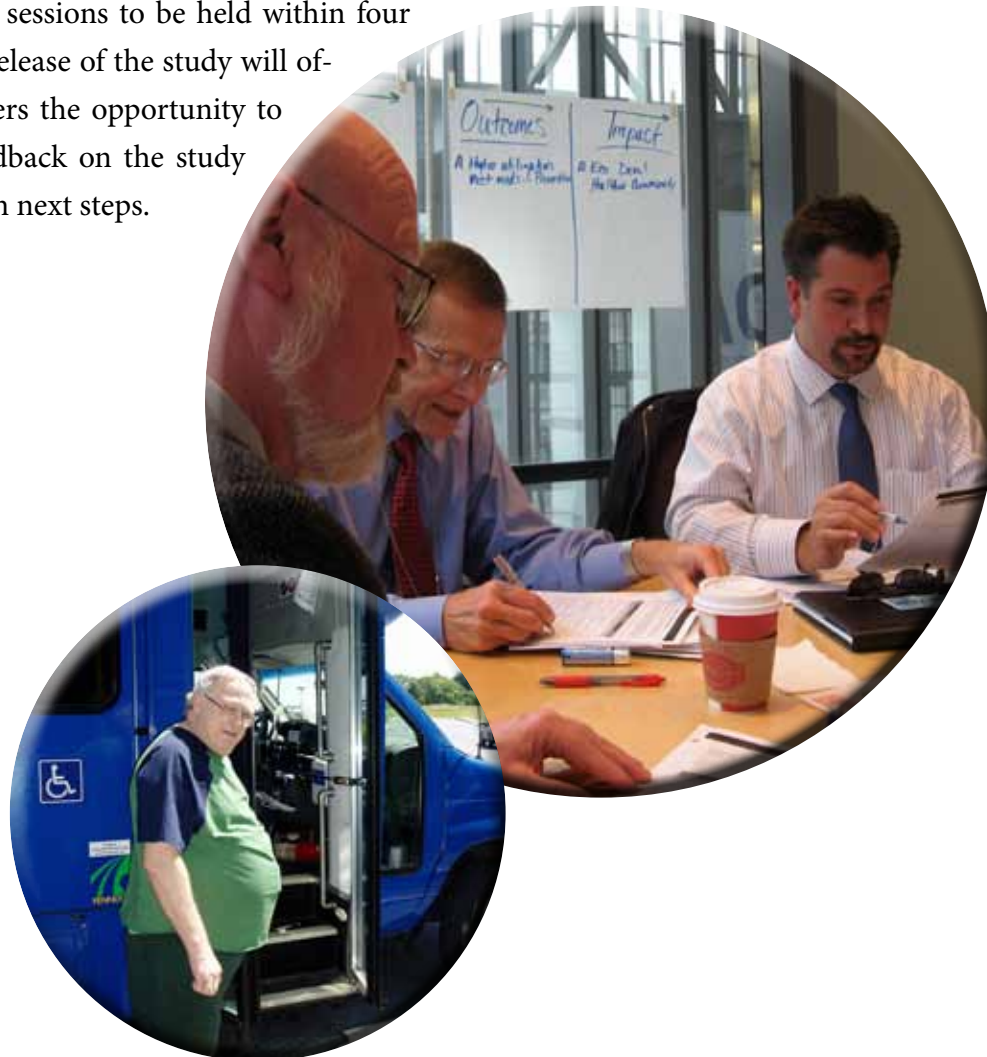


Recommendation #3

The Commonwealth and local government should conduct listening sessions on the design of the coordinated program as well as the pilot to ensure that consumer needs are known and understood.

Stakeholder sessions were primarily intended to better understand service delivery. While some consumers participated, the focus was not solely on the consumer. During the stakeholder sessions, consumers indicated the need to be involved in shaping the final approach.

Listening sessions to be held within four months of release of the study will offer consumers the opportunity to provide feedback on the study and input on next steps.



Recommendation #4

In partnership with local government, the Commonwealth should establish performance criteria, standards and targets to measure the efficiency, productivity and effectiveness of human service transportation.

Because each county is unique in its approach to HST, a single, prescriptive solution will not work in every county. While study findings strongly suggest that a consolidated regional approach to program and transportation management can achieve significant benefits in terms of management and service efficiencies as well as service improvements, this recommendation focuses on achieving those efficiencies and improvements using locally adopted strategies.



By January 2010, the state agencies will propose performance metrics and standards for discussion with local entities. Performance metrics would include:

- Productivity measures such as trips per paid driver hour
- Efficiency measures such as the percentage of paid driver hours used for actual trip delivery
- Customer service factors such as on time performance

These metrics and standards would be tested in pilot projects (see Recommendation 2).

The state would:

- Encourage counties to consider a regional approach but fully consider other locally generated options.
- Work with counties/regions and offer technical assistance to develop performance targets appropriate to the unique circumstances of each region or county.
- Provide technical assistance to identify steps to achieve performance targets.

All Pennsylvanians would be affected by a major disruption or cessation of HST services. Consumers and their families would suffer directly, sacrificing health and quality of life. Taxpayers would incur higher costs for programs when consumers cannot work or must receive inpatient or institutional care.

Improvement to the HST system must start at the state level by the Departments of Aging, Public Welfare, Transportation and the Office of the Budget developing and coordinating policy, programs and performance measurements. Financial savings are possible with local service management and delivery improvements.

This is an **opportunity for the Commonwealth to partner** with counties and shared ride service providers to invest in programs that build capacity, improve management, serve consumers and develop systems that will meet current and future needs.



Appendix

A - Project Teams

Human Service Transportation Study Steering Committee

| | |
|--------------------------|---|
| Jeffrey Bechtel | Department of Public Welfare |
| Virginia Brown | Department of Public Welfare |
| Edward Butler | Governor's Cabinet on Persons with Disabilities |
| LaVerne Collins | Department of Transportation |
| Jeffrey Cooper | UCP of Central Pennsylvania |
| John Detman | Office of Long Term Living |
| Toby Fauver | Department of Transportation |
| Susan Getgen | Department of Aging |
| Jack Hillyard | Department of Aging |
| Amanda Lee | Governor's Budget Office |
| J. Michael Noel | Department of Public Welfare |
| Eileen Ogan | Department of Transportation |
| James Pennypacker | Department of Public Welfare |
| Ray Prushnok | Department of Aging |
| Lucia Roberto | Governor's Budget Office |
| Natasha Schock | Department of Transportation |
| Danielle Spila | Department of Transportation |
| ML Wernecke | Department of Public Welfare |
| Tyrone Williams | Department of Public Welfare |



HST Study Project Work Group:

| | |
|----------------------------|--|
| Patricia Clark | Department of Aging |
| Louis Colbert | Delaware County Area Agency on Aging |
| LaVerne Collins | Department of Transportation |
| Jeffrey Cooper | UCP of Central PA |
| William Davis | Blair Senior Services |
| John Detman | Department of Aging |
| Daniel Eisenhauer | Dauphin County |
| Richard Farr | Rabbittransit |
| Rebecca Fortenbaugh | Department of Aging |
| Leslie Grenfell | Southwestern PA Area Agency on Aging |
| Charles Hill | Department of Public Welfare |
| William Jones | Capital Area Transit |
| Crystal Lowe | Pennsylvania Association of Area Agencies on Aging |
| Janet Neidig | Pennsylvania Association of Area Agencies on Aging |
| J. Michael Noel | Department of Public Welfare |
| Eileen Ogan | Department of Transportation |
| James Pennypacker | Department of Public Welfare |
| Martha Pierce | Pennsylvania Public Transportation Association |
| Robert Schmitt | RTR Associates |
| Bonnie Stine | Rabbittransit |
| Tyrone Williams | Department of Public Welfare |
| Kristin Woellmer | County Commissioners Association of Pennsylvania |

Appendix

B - HST Providers

Shared Ride and Medical Assistance Transportation Providers

| County | Shared ride transportation provider | MATP Coordinator |
|------------|---|---|
| Adams | Adams County Transit Authority | Adams County Transit Authority |
| Allegheny | Port Authority of Allegheny County | Allegheny County Department of Human Services |
| Armstrong | Mid-County Transit Authority | Armstrong County Community Action |
| Beaver | Beaver County Transit Authority | Beaver County Transit Authority |
| Bedford | Huntingdon-Bedford-Fulton Area Agency on Aging | Center for Community Services |
| Berks | Berks Area Reading Transportation Authority | Berks Area Reading Transportation Authority |
| Blair | Blair Senior Services, Inc. | Blair Senior Services, Inc. |
| Bradford | Endless Mountains Transportation Authority | Endless Mountains Transportation Authority |
| Bucks | Bucks County Transport, Inc. | Bucks County Transport, Inc. |
| Butler | Butler County Community Action & Development | Butler County Community Action Program |
| Cambria | Cambria County Transit Authority | Cambria County Community Action Partnership |
| Cameron | Area Transportation Authority of North Central PA | Area Transportation Authority of North Central PA |
| Carbon | Carbon County Transit Authority (operated by LANTA) | Carbon County Transit Authority (operated by LANTA) |
| Centre | Centre Area Transportation Authority and Centre County Office of Transportation | Centre County Office of Transportation |
| Chester | Rover Community Transportation (Krapf's) | Rover Community Transportation (Krapf's) |
| Clarion | Clarion County Transportation | Clarion County Transportation |
| Clearfield | Area Transportation Authority of North Central PA | Central PA Community Action |
| Clinton | STEP, Inc./Lycoming-Clinton Counties | STEP, Inc./Lycoming-Clinton Counties |
| Columbia | MTR Transportation Co., t/d/b/a/ K-Cab, Inc. | Columbia County Transportation Department |

| County | Shared ride transportation provider | MATP Coordinator |
|------------|---|---|
| Crawford | Crawford Area Transportation Authority | Community Health Services |
| Cumberland | Cumberland County Transportation Department | Cumberland County Transportation Department |
| Dauphin | Capital Area Transit | Center for Community Building |
| Delaware | Community Transit of Delaware County, Inc. | Community Transit of Delaware County, Inc. |
| Elk | Area Transportation Authority of North Central PA | Area Transportation Authority of North Central PA |
| Erie | Erie Metropolitan Transit Authority/ LIFT | Erie Metropolitan Transit Authority/LIFT |
| Fayette | Fayette Area Coordinated Transportation | Fayette Area Coordinated Transportation |
| Forest | Forest County Transportation | Forest County Transportation |
| Franklin | Franklin County Integrated Transportation System | Franklin County Integrated Transportation System |
| Fulton | Huntingdon-Bedford-Fulton Area Agency on Aging | Fulton County Partnership |
| Greene | Greene County Human Services Department | Greene County Human Services Program |
| Huntingdon | Huntingdon-Bedford-Fulton Area Agency on Aging | Employment and Training |
| Indiana | Indiana County Transit Authority | Indiana County Department of Human Services |
| Jefferson | Area Transportation Authority of North Central PA | Jefferson County Community Action |
| Juniata | Mifflin-Juniata Area Agency on Aging | Mifflin-Juniata Call-A-Ride Service |
| Lackawanna | Lackawanna County Coordinated Transportation | Lackawanna County Coordinated Transportation |
| Lancaster | Red Rose Transit Authority | Red Rose Transit Authority |
| Lawrence | Allied Coordinated Transportation Services, Inc. | Lawrence County Social Services, Inc. |
| Lebanon | County of Lebanon Transit Authority | Lebanon County Community Action Partnership |
| Lehigh | Lehigh & Northampton Transportation Authority | Lehigh & Northampton Transportation Authority |
| Luzerne | Luzerne-Wyoming County Transportation Department | Luzerne-Wyoming County Transportation Department |
| Lycoming | STEP, Inc./Lycoming-Clinton Counties | STEP, Inc./Lycoming-Clinton Counties |
| McKean | Area Transportation Authority of North Central PA | Area Transportation Authority of North Central PA |
| Mercer | Mercer County Regional Council of Governments | Mercer County Area Agency on Aging |
| Mifflin | Mifflin-Juniata Area Agency on Aging | Mifflin-Juniata Call-A-Ride Service |
| Monroe | Monroe County Transportation Authority | Monroe County Transportation Authority |
| Montgomery | Suburban Transit Network, Inc. | Suburban Transit Network, Inc. |
| Montour | Montour County Transportation | Montour County Transportation |

| County | Shared ride transportation provider | MATP Coordinator |
|----------------|--|--|
| Northampton | Lehigh and Northampton Transportation Authority | Lehigh and Northampton Transportation Authority |
| Northumberland | Northumberland County Transportation Department | Northumberland County Transportation Department |
| Perry | Perry County Transportation Authority | Perry County Transportation Authority |
| Philadelphia | SEPTA/Customized Community Transportation | LogistiCare, Inc. |
| Pike | Pike County Area Agency on Aging | Pike County Area Agency on Aging |
| Potter | Area Transportation Authority of North Central PA | Potter County Department of Human Services |
| Schuylkill | Schuylkill Transportation System | Schuylkill Transportation System |
| Snyder | Union-Snyder Transportation Alliance | Union-Snyder Transportation Alliance |
| Somerset | Somerset County Transportation/ Tableland Services | Somerset County Transportation/ Tableland Services |
| Sullivan | Endless Mountains Transportation Authority | Endless Mountains Transportation Authority |
| Susquehanna | Barnes-Kasson Hospital | Barnes-Kasson Hospital |
| Tioga | Endless Mountains Transportation Authority | Endless Mountains Transportation Authority |
| Union | Union-Snyder Transportation Alliance | Union-Snyder Transportation Alliance |
| Venango | Venango County Transportation Office | Venango County Transportation Office |
| Warren | Transit Authority of Warren County | Transit Authority of Warren County |
| Washington | Washington County Transportation Authority | Washington County Transportation Authority |
| Wayne | Wayne County Area Agency on Aging | Wayne County Area Agency on Aging |
| Westmoreland | Byers Taxi Service, Inc., Greensburg Yellow Cab, Manor Valley Taxi, Inc., Tri-County Access, Veteran's Cab Co., Inc. | Westmoreland County Transit Authority |
| Wyoming | Luzerne-Wyoming County Transportation Department | Luzerne-Wyoming County Transportation Department |
| York | Rabbittransit | Rabbittransit |

intentionally blank

