

PROVIDING TRANSPORTATION

Resetting the Reimbursement Rate for Motor Transportation Payment (MTP) in Utah

Transportation is essential to helping individuals with a disability and other underserved populations access critical community services or programs. Currently, providers contracted with the Division of Services for People with Disabilities (DSPD) are reimbursed a Motor Transportation Payment (MTP) of \$8.56 per person, per day, to pick clients up from their home, transport them to a day/work program, and then return them home in the afternoon.

Over the last several years, there have been a number of independent transportation rate studies conducted throughout the state, each determining the MTP rate to be significantly lower than the true cost of providing round trip transportation services to DSPD clients (see figure 1 below). In the past, this budget shortfall was subsidized with funding from donations or other agency programs, often leading to a reduced function of those other programs.

Following the advocacy and outreach efforts of several human service groups and agencies throughout the state, in 2014, the Utah State Legislature increased the MTP rate to \$9.44 with one time funding to increase the rate for one year. While this is a much needed move in the right direction, the MTP rate is expected to revert back to \$8.56 on July 1, 2015 unless further legislative action is taken in 2015.

As the cost of programs, fuel, and other resources continues to rise, the current rate will effectively limit or eliminate the ability of private operators to provide coordinated transportation services for day programs. Not only does this undermine the efforts of countless individuals working to improve access and mobility for underserved populations, but ultimately affects the quality of life of those individuals who live in rural areas or do not have access to public transit.

Without access to basic transportation services, we eliminate the diversity and strength of our communities and workforce participants, and negatively impact the basic civil and equal rights of all Utah citizens. This is a challenge that should be met with urgency and one that will have positive results through public awareness, cooperation, and the efforts of those who have dedicated their lives to human service programs.

Round Trip Transportation Cost Summary

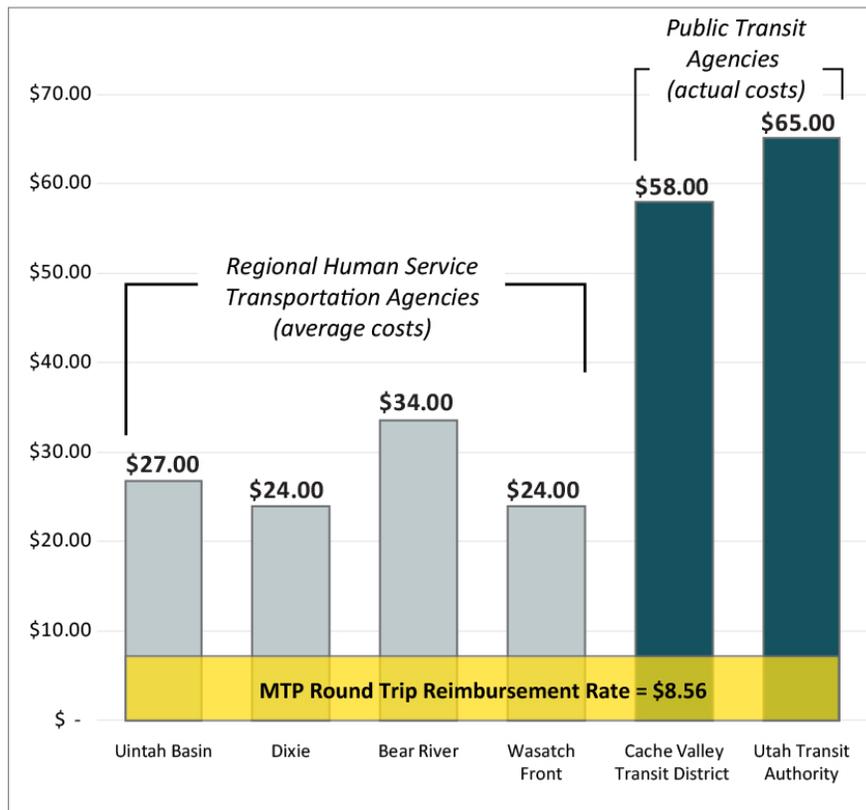


Figure 1 - The graph to the left shows the cost of providing round trip paratransit type services for public transit and human service agencies throughout the state of Utah. Data is from several independent studies that took place from 2007 to 2012. This graph illustrates the amount of money agencies must come up with to fill the monetary gap between the current MTP rate (shown in yellow) and actual round trip transportation costs (see back page for sources).

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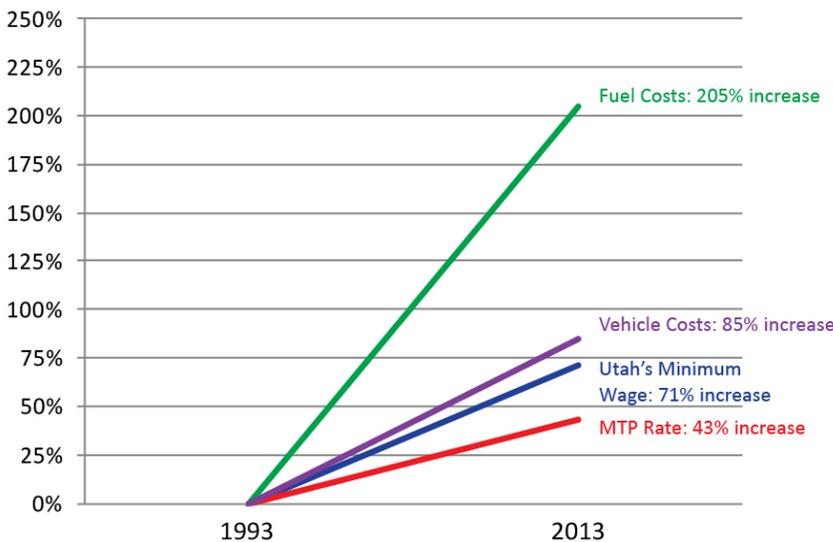
An Excerpt from a recent study, *Improving Transportation Services for DSPD Consumers (2012)*, outlines current issues and potential consequences associated with current transportation funding levels

"To cover their actual costs, these agencies subsidize the transportation services using funds from other programs, such as the Day Services program, from donations, or from other agency sources. Transportation is a critical component of the services these agencies offer to persons with disabilities: without transportation, these individuals cannot participate in the programs offered by these agencies and cannot realize the improvements to their lives that are offered by these programs. On the other hand, if agencies divert funds from their core functions of training and other services, those functions will be diminished.

Based on the analysis of available information on agency budgets and expenses, it appears that DSPD is now often paying less than 50% of the expenses that agencies typically incur to transport DSPD's clients. While many agencies have been able to find funding to subsidize the excess costs that they are incurring, this situation is likely to become untenable in the future as the costs of service programs continue to rise. It is particularly difficult for agencies serving rural areas and areas with little or no public transit service. The low rate of reimbursement could effectively eliminate private operators and other agencies from the potential list of coordinated transportation service providers because they are unable to provide such subsidies.

**These considerations clearly indicate that DSPD should increase the reimbursement rate for transportation services in the near future and make long-term plans to ensure that reimbursement rates are structured to cover all costs of the services provided."*

RATE INCREASES FOR VARIOUS TRANSPORTATION COSTS BETWEEN 1993 & 2013



Current Round Trip Cost

~ **\$27.00**
(average of the four studies referenced in this summary)

Current MTP Rate

= **\$8.56**

	Average Vehicle Cost ¹	Dollars per Gallon ²	MTP Rate ³	Minimum Wage ⁴
1993	\$ 16,871	\$ 1.161	\$ 6.00	\$ 4.25
2001	\$ 20,945	\$ 1.684	\$ 7.37	\$ 5.15
2013	\$ 31,252	\$ 3.543	\$ 8.56	\$ 7.25

Sources: ¹U.S. Dep. of Commerce, Bureau of Econ. Analysis, National Income and Products Accounts. ²Energy Information Administration, 2013. ³MTP Rate Courtesy of Cache Employment & Training, 2013. ⁴Bureau of Labor Statistics, 2013.

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Sources & Summaries of Independent Studies Identified in this Report

Bear River

Report Title: BEAR RIVER REGION MOBILITY MANAGEMENT BUSINESS PLAN. *December, 2012*

Prepared By: Nelson/Nygaard Consulting Associates with TransitPlus

Prepared For: Bear River Association of Governments

Document online at: http://www.bearrivermobility.org/uploads/1/0/8/0/10806506/businessplan_final.pdf

Average Agency Transportation Costs: In the Executive Summary, under the sub-section GOAL 2: INCREASE ACCESS AND MOBILITY FOR TRANSPORTATION DISADVANTAGED POPULATIONS IN THE BEAR RIVER REGION, Objective 2A (shown below) identifies the performance target to achieve an average cost/trip less than the current system average of \$17.00 (page 1-4).

****Note for ROUND TRIP TRANSPORTATION COST SUMMARY graph on page one:** *\$17.00 is the average fully allocated cost for a one-way trip, and \$34.00 is the average agency cost to provide a round trip.*

Dixie

Report Title: DIXIE METROPOLITAN PLANNING ORGANIZATION COORDINATED HUMAN-SERVICE PUBLIC TRANSPORTATION PLAN. *August, 2007*

Prepared By: H.W. Lochner, Inc.

Prepared For: Dixie Metropolitan Planning Organization

Document online at: <http://dixiempo.files.wordpress.com/2010/09/chstplan.pdf>

Average Agency Transportation Costs: In Chapter 4: Findings, under sub-section FUNDING FOR OPERATING EXPENSES AND SERVICE EXPANSION (shown below), the study identifies a cost per rider of \$12 for SunTran ADA accessible dial-a-ride service. SunTran provides public transportation for the city of St. George, Utah.

****Note for ROUND TRIP TRANSPORTATION COST SUMMARY graph on page one:** *\$12.00 is the average fully allocated cost for a one-way trip, and \$24.00 is the average agency cost to provide a round trip.*

Uintah Basin

Report Title: UINTAH BASIN PUBLIC TRANSIT BUSINESS PLAN. *May, 2008*

Prepared By: H.W. Lochner, Inc & LSC Transportation Consultants

Prepared For: Uintah Basin Association of Governments & Utah Department of Transportation

Document online at: <http://utah.ptfs.com/awweb/awarchive?type=file&item=31336>

Average Agency Transportation Costs: Table 12 on page 3-12 (shown on next page) provides cost per passenger for Demand-Response riders, which includes services for ADA and Dial-A-Ride services outside of regular fixed routes. The cost is between \$12.04 and \$15.20 per passenger for DSPD/ADA type trips.

****Note for ROUND TRIP TRANSPORTATION COST SUMMARY graph on page one:** *The average cost between \$12.04 and \$15.20 is around \$13.50 for a one way trip, and \$27.00 is the average agency cost to provide a round trip.*

Wasatch Front

Report Title: IMPROVING TRANSPORTATION SERVICES FOR DSPD CONSUMERS. *August, 2012*

Prepared By: IBI Group, TransitPlus, Westat, VIA, UDOT

Prepared For: United We Ride Initiative

Document online at: <http://www.udot.utah.gov/main/uconowner.gf?n=11137317426209167>

Average Agency Transportation Costs: Costs of UTA Services, page 39, just over \$65. Cost for Human Service Agencies, page 46, between \$21 and \$24 dollars.

****Note for ROUND TRIP TRANSPORTATION COST SUMMARY graph on page one:** *\$12.00 is the average fully allocated cost for a one-way trip, and \$24.00 is the average agency cost to provide a round trip.*

RFA – Redd - DSPD Motor Transportation Payment

Detailed Budget:

FY 2016 expenditures for MTP services were \$4,263,061.

This provided 2,238 people with severe disabilities transportation to work, healthcare appointments, and other necessary trips.

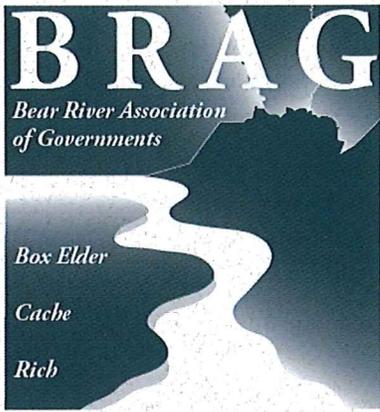
At reimbursement of \$10.41 per round trip, this works out to be 409,515 round trips or 182 round trips per person served per year.

The ongoing request for \$150,000 ongoing will result in an increase of MTP from \$10.41 per round trip to \$10.78. While this is not much, it is a token recognizing the fact that the state understands that our current reimbursement rate does not meet the cost of providing the services.

The rate change would be effective July 1, 2017 and would then be increased by the DSW Wage Increase if that request is approved.

Performance Measures:

1) An increase in the MTP rate and 2) the percent of funds spent on motor transportation payment.



BEAR RIVER ASSOCIATION OF GOVERNMENTS

170 N. Main, Logan, Utah 84321 ♦ (435) 752-7242 ♦ Fax (435) 752-6962 ♦ www.brag.utah.gov

Dear Members of the Social Services Appropriations Subcommittee,

We are writing this letter to express our support for the Utah Association of Community Services' request for \$350,000 ongoing for the Motor Transportation Rate (MTP) to help cover critical transportation services for Utahns with developmental/intellectual disabilities.

Currently the MTP daily rate is \$11.84 while the actual daily costs statewide average about \$27.00. As the cost of programs, fuel, and other resources continues to rise, the current rate will effectively limit or eliminate the ability of private operators to provide coordinated transportation services for day programs. Not only does this undermine the efforts of countless individuals working to improve access and mobility for underserved populations, but ultimately affects the quality of life of those individuals who live in rural areas or do not have access to public transit.

Without access to basic transportation services, we eliminate the diversity and strength of our communities and workforce participants, and negatively impact the basic civil and equal rights of all Utah citizens. This is a challenge that should be met with urgency and one that will have positive results through public awareness, cooperation, and the efforts of those who have dedicated their lives to human service programs.

Please join with us in supporting an appropriation of \$350,000 ongoing for FY2019. Thank you for your consideration.

Regards,

Sheri Newton, Chair
Bear River Regional Access and Mobility Council

Other Council Members

- Cheryl Atwood, Vice-Chair - Options for Independence
- Paul Beecher - Cache Employment and Training Center
- Todd Beutler - Cache Valley Transit District
- Michelle Benson - Bear River Association of Governments
- Marion Layne - Bear River Valley Senior Center
- Drake Rasmussen - USU Developmental Skills Laboratory
- Dick Baer - Life Skills and Individual Needs Center
- Gordon Richins - USU Center for Persons with Disabilities
- Nancy Green - Brigham City Senior Center
- Giselle Madrid - Cache County Senior Center

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January 4, 2018

Dear Members of the Social Services Appropriations Subcommittee,

On behalf of people with disabilities in southwestern Utah, we are writing this letter to express our support for the Utah Association of Community Services' request for \$350,000 ongoing funds for the Motor Transportation Rate (MTP) to help cover critical transportation services for Utahns with developmental or intellectual disabilities.

As the cost of programs, fuel, and other resources rise, the current rate will either limit or eliminate the ability of private operators to provide coordinated transportation services for day programs. Imagine not having access to public transportation, having somewhere to go, and having no way to get there. Lack of transportation has serious consequences for those residing in the majority of communities in our rural service area.

Thank you for your support and grateful consideration of people with disabilities who so greatly contribute to the diversity of our beloved communities.

Respectfully,

Barbara Lefler, Executive Director
RRCI: Empowering People with Disabilities

January 2, 2018

Social Services Appropriations Subcommittee
State of Utah

Dear Members of the Social Services Appropriations Subcommittee,

We are writing this letter to express our support for the Utah Association of Community Services' request for \$350,000 ongoing for the Motor Transportation Rate (MTP) to help cover critical transportation services for Utahans with developmental/intellectual disabilities.

Currently the MTP daily rate is \$11.84 while the actual daily costs statewide average is about \$27.00. As the cost of programs, fuel, and other resources continues to rise, the current rate will effectively limit or eliminate the ability of private operators to provide coordinated transportation services for our adult and youth day treatment programs. Not only does this undermine the efforts of countless individuals working to improve access and mobility for underserved populations, but ultimately affects the quality of life of those individuals who live in rural areas or do not have access to public transit.

Without access to basic transportation services, we eliminate the diversity and strength for our communities and negatively impact the basic civil and equal rights of all Utah citizens. This is a challenge that should be met with urgency and one that will have positive results through public awareness, cooperation, and the efforts of those who have dedicated their lives to human service programs.

Please join with us in supporting an appropriation of \$350,000 ongoing for FY2019. Thank you for your consideration.

Regards,



Michael H. Deal
Executive Director

2 January 2018

Dear Members of the Social Services Appropriation Subcommittee,

I am providing a short letter to provide the cost per trip data of providing ParaTransit service in the SunTran service area. The cost per ride for fiscal year 2017 was **\$30.10** average per trip per client. This average includes taking more than one person in the vehicle on **42 percent** of the trips to keep operating costs down.



Fred Davies

Transit Manager

City of St George



Dear Members of the Social Services Appropriations Subcommittee,

I am writing this letter in support for the Utah Association of Community Services' request for \$350,000 ongoing for the Motor Transportation Rate (MTP) to help cover critical transportation services for Utahns with developmental/intellectual disabilities.

Currently the MTP daily rate is \$11.84. It is simply a fact that transportation costs are expensive. The average cost for a similar single UTA Paratransit trip in 2016 was \$34.22 when factoring in all of the associated costs and overhead.

These important services augment public transportation where and when it cannot serve these individuals. UTA ADA Paratransit services has its own limitations as it is geographically and time limited to areas around fixed public transit routes. Additionally, some severe disabilities may limit an individual's ability to be able to utilize public transit or even ADA required Paratransit.

UTA has inventoried the transportation service providers along the Wasatch Front serving people with disabilities. The vast majority of trips for people with disabilities are made by these organizations or by public transportation.

As costs of programs, fuel, and other resources increase, the current rate will limit or eliminate the ability of private operators to provide transportation services for day programs. This will dramatically affect these individuals, families and providers in a negative way. These programs assist individuals with disabilities to contribute to our communities, gain skills, and have a greater quality of life. Transportation is a vital component that facilitates this great work.

This issue should be met with urgency. Please join with us in supporting an appropriation of \$350,000 ongoing for FY2019. Thank you for your consideration.

Regards,


Ryan Taylor
Coordinated Mobility Manager
Utah Transit Authority

