

ND Legislative Management

Human Services Committee

Thursday, June 19, 2014

Grafton, ND

Good afternoon Chairman Damschen and members of the Human Services Committee. Thank you for the opportunity to comment this afternoon. I am Paula Ous, the metro area transit mobility manager for the city of Fargo. I am also a committee member with the Dakota Transit Association. My comments today are related to public transportation and home and community based services.

Public transportation and Home and Community-Based Services

Everyone agrees reliable transportation is a key consideration for determining whether or not someone can stay in their home or community if they do not drive or have a vehicle. It is essential for people with disabilities and those who are elderly to access medical care, shopping, and community events for quality of life. One way to keep North Dakota rural and urban residents in their homes and communities is public transportation. Today I would like to help you understand how public transportation operates.

The state of ND has 30 rural public transportation providers with accessible vehicles. The rural providers receive federal transit funding to provide service to all residents, not just people with disabilities or people over age 60. Federal transit funds must have a 50% match from the transportation provider. For example, in Valley City, State Aid for Public Transit, Medicaid, contracts, advertising, private donations and United Way are used for the match. Many trips include mileage to medical or dialysis centers in larger towns. FTA encourages transportation providers to capture 10% of the cost of rides from fares.

The small urban cities of Bismarck, Grand Forks, and Fargo provide fixed route service, which are predetermined routes throughout the city with ramp equipped buses. By law, any public transportation provider who offers a fixed route service must provide ADA Complementary Paratransit to people functionally unable to use the fixed route bus. This is a door-to-door service with assistance from the driver if needed.

The City of Fargo operates MAT Paratransit while Bismarck and Grand Forks contract with taxi providers to provide ADA Complementary Paratransit. These taxi providers also provide 24/7 demand response service that is over and above ADA Complementary Paratransit. MAT Paratransit in Fargo operates Monday through Saturday until 11:15pm. The fixed route does not run in Fargo on Sundays so Paratransit is not required. The city of Fargo funds two Paratransit vehicles to assist the community with accessible transportation on Sunday but it does not meet the need.

The law requires that the fare for an ADA Complementary Paratransit ride be no more than twice the cost of a fixed route ride which is \$1.50. Therefore, a MAT Paratransit fare is \$3 per trip. The average cost to provide a one-way Paratransit ride in Fargo is \$26.

Fargo operating revenue in 2013 was well over 5 million dollars. Federal transit funds cover 41% of operations. The city of Fargo general fund covers 17%. Other revenue sources include farebox, advertising, NDDOT, and joint powers agreements with NDSU and West Fargo. Fargo has 14 fixed routes with the average cost to operate one fixed route at \$200,000 per year.

Medicaid Funded Transportation

ND Medicaid policy requires a transportation provider charge Medicaid the "usual and customary" fare for bringing a passenger to a medical appointment. That means rural and urban public transportation providers

can only charge Medicaid the subsidized fare the passenger would pay for the ride, even though the cost to provide the ride is much higher. The Medicaid program in Minnesota does not have a "usual and customary" rule and their reimbursement rate is \$19 per ride.

Fargo has private ramp equipped transportation providers including Ready Wheels, Anytime Transportation and CareAVan. They provide same day service and are on-call for rides on weekends. The cost to provide a one-way trip in Fargo is \$20 to \$25 because these transportation providers do not receive subsidies from the government. They stopped taking ND Medicaid several years ago because the Medicaid reimbursement rate at the time was around \$12.

The result was increased demand for public transportation. MAT Paratransit and Metro Senior Ride that provides minivan door to door service for people over age 60 with a fare of \$3 per ride. The City of Fargo helps Metro Senior Ride by purchasing minivans with federal capital grants. MAT Paratransit and Metro Senior are not Medicaid providers. The City of Fargo also purchased three lift-equipped vehicles to help lower the overhead costs for Handi-Wheels, which is a private, non-profit transportation provider. Handi-Wheels accepts ND Medicaid and is eligible for the \$14 Medicaid reimbursement rate.

The North Dakota Medicaid Travel Handbook indicates the Medicaid reimbursement rate for a private taxicab is \$21 per trip and the ride requires approval by a county case worker. Approval is not needed for a private lift transportation provider such as Ready Wheels, Anytime Transportation, and CareAVan to receive the reimbursement rate of \$14. Both the taxi provider and the lift transportation provider offer the same service with no government subsidies, but the reimbursement rate is less for the service with more expensive vehicles. In addition, the established 24/7 taxicab providers serving Fargo don't have accessible vehicles in their fleets.

Most important

We can all agree the most important part of this discussion is people in our communities living as independently as possible. When a person with a disability or a senior qualifies for Medicaid due to poverty, money for transportation -or anything else- is significantly limited. Even paying \$3 per ride can be expensive for someone going to dialysis 3 times per week.

Rural and urban public transportation providers will not refuse to give someone who is Medicaid eligible a ride so people are being served in their communities. Unfortunately, there is a trend of public transportation providers refusing to bill Medicaid. Part of the reason is the billing process. The goal is to have all transportation providers submit Medicaid claims electronically instead of sending paper forms that need to be entered by agency staff. This will impact administrative efficiency for everyone involved.

It is difficult to determine how many Medicaid eligible people need medical transportation in Fargo and West Fargo. Since few transportation providers accept Medicaid, it is difficult to track need. It is logical to conclude someone will use public transportation and pay \$3 instead of paying \$20 to a private lift transportation provider.

One of the prominent indicators of medical need in any community across the country is dialysis so I will use that as an example. We have two dialysis providers in Fargo. Between Sanford and Davita, there were 24 patients eligible for ND Medicaid in March 2014. In March 2013, dialysis transportation was provided to 18 people by public transportation providers. Only two were served by Handi-Wheels. MAT Paratransit and Metro Senior ride provided rides to 16 people in March. Those rides were not billed to Medicaid and were subsidized locally.

The Valley City public transportation provider has a rider from Tower City who goes to dialysis. This rider is technically not in their service area but it is logical to provide the ride because they go through Tower City to

get to Fargo. It is a shared ride service so the run starts at 6am to ensure the passenger can arrive by 8:45am for her dialysis appointment. The passenger is charged \$10 round trip which is billed to Medicaid. If a private transportation provider gave that ride, the cost to Medicaid would be \$14 plus \$2 per mile. It is 45 miles to Fargo from Tower City so the total per way billed to Medicaid would be \$104.

Conclusion

We know everyone wants what is best for people with disabilities and seniors - especially when it comes to keeping people in their communities. The challenge is how we can all make that happen with resources available. Transportation is often near the top of the list when it comes to barriers to independence. Public transportation is a key player and we want to work together on reasonable solutions. In Fargo, the biggest challenge for people with disabilities and seniors is accessible same day, evening, and weekend transportation. We also need more transportation providers who will accept ND Medicaid .

The best way to conclude is a quote from a letter I received yesterday from a woman in Fargo applying for Paratransit for herself and her husband who is a veteran of WWII and Korea. *"...we want so badly to stay in our home and be as independent as possible. He is 89 and I am 83 and it is so important to have access to good transportation to make this possible..."*

Chairman Damschen and members of the Human Services Committee, this concludes my comments regarding transportation and home and community based services. I have a few handouts for the committee to review at your leisure. Thank you again for the opportunity to comment this afternoon. I will stand for any questions.