



Consolidated
Transportation
Services Agency

MEMORANDUM

TO: Board of Directors

DATE: March 27, 2012

FROM: David Melko, Senior Transportation Planner

SUBJECT: PUBLIC HEARING: PROPOSED FARES FOR HEALTH EXPRESS SERVICE

ACTION REQUESTED

Conduct a public hearing to obtain testimony to consider implementing fares for the non-emergency medical transportation service known as Health Express service.

BACKGROUND

Since January 2009, the Western Placer Consolidated Transportation Services Agency (WPCTSA) has contracted with Seniors First, Inc., to provide the non-emergency medical transportation service known as Health Express. Currently Health Express does not charge a passenger fare. Health Express meets its fare recovery responsibilities under the Transportation Development Act (TDA) with funding contributions provided by Sutter and Kaiser Hospitals. From 1982 to 2008, the previously designated CTSA, Pride Industries, charged passenger fares for non-emergency medical transportation trips.

The adopted Short Range Transit Plan (SRTP) for the WPCTSA recommended that it may be appropriate to revisit the issue of fares. Public outreach efforts and ridership surveys conducted during the development of the SRTP identified that many Health Express riders are willing to contribute to the cost of their trip and will make transportation expenditures a priority, even within limited budgets.

The annual operating cost for Health Express is currently \$500,000; and per the SRTP recommendation is projected to increase to \$550,000, pending future funding availability, to provide new service to Foresthill and Sheridan one day per week and a second weekday trip to Sacramento. WPCTSA currently meets its fund obligation of \$375,000 through a combination of federal, state and local funds. The \$125,000 balance is funded through Seniors First by Sutter and Kaiser Hospitals community benefit programs.

The service currently provides about 800 trips a month, up from 500 trips per month when Pride/CTSA provided similar medical services. Over the past year, Health Express has seen an increase in the level of demand for medical trips particularly to dialysis and chemo appointments due to recent changes in the use of Medi-Cal funding for these types of trips.

Given the relatively high costs of Health Express trips and their long, inter-jurisdictional characteristics, rider contribution to the service's operating cost through some level of passenger fare is not unreasonable. Notably, Sutter and Kaiser Hospitals asked that we look at implementing fares in an effort to stabilize the long-term financial base, facilitate future expansion of Health Express in south Placer County, while continuing to encourage frequent use.

Implementing fares should also reduce the need in the near-term for PCTPA to consider increasing the Local Transportation Fund (LTF) allocation to the WPCTSA to the maximum allowable five percent under the TDA.

DISCUSSION

Under the TDA, services provided exclusively to the elderly and individuals with disabilities, such as Health Express, must meet at least ten percent of their operating costs through fares. This amounts to \$50,000 for the current fiscal year or \$55,000 for fiscal year 2012/13.

Over the past six months, staff and Health Express funding partners have been engaged in a process to develop a fare structure for Health Express. A variety of alternatives were explored, with the proposed fare structure shown in Attachment 1 as the staff and funding partners' recommendation. The PCTPA Technical Advisory Committee (TAC) and Transit Operators Working Group (TOWG) concurred with this recommendation.

The proposed fare structure is designed to be low cost, on average half the cost of fares paid on local dial-a-ride services. Single ride fares as shown on Attachment 1 can be further discounted when a rider shows a Medicare, Medicaid, public transit discount card, or disability card. A multi-ride pass is available for persons who have frequent medical appointments, such as dialysis or chemotherapy treatment patients. These riders would receive a 20 percent discount compared to the single ride fares. In addition, the hospitals have requested that for those riders who cannot afford the fare that service still be provided to the individuals. These rides are called "scholarship" rides and it is anticipated that less than ten percent of Health Express rides would fall in this category. Funding for these rides would be met through the hospital funding contributions.

The proposed fare increase would annually generate an estimated \$25,000 to \$45,000 depending on actual passenger trips, scholarship rides offered, and fares received. While the proposed fare structure would fall short of the goal that riders pay ten percent of the service's operating cost, the hospitals have committed to maintaining their funding contributions, which can be used in part to meet the fare recovery ratio requirement as currently done.

Staff will compile all the comments received before and after the public hearing, and prepare responses. The comments and responses, along with any recommended adjustments to the proposed fare structure will be presented to the Board at its May 23 meeting. Any fare changes adopted by the Board at that time are expected to go into effect in July 2012.

CM:DM:ss

Health Express Fare Structure

Health Express Single Ride
 (Fares shown are per one-way trip)

Trips	<u>With</u> Discount Card*	<u>Without</u> Discount Card
Advance Reservation Trip in Placer County	Free	\$1.25
Same Day Trip in Placer County	\$1.25	\$2.50
Advance Reservation Trip Sacramento Trip	\$2.50	\$5.00
Same Day Sacramento Trip	\$5.00	\$10.00

* With Medicare, Medicaid, Public Transit ADA/Disability/Senior ID Card.

Health Express Multi-Ride Pass
 (Advance Reservation Only)

10 Ride Pass \$12.50

* Multi-Ride Pass is good for a one-way Health Express trip.
 * Multi-Ride Pass is NON-Transferrable to public transit systems.
 * Multi-Ride Pass is NON-Refundable.

Effective Post July 2012