



Customer Services, Operations, and Safety Committee

Board Information Item V-C

October 2, 2008

**Impact of the Transfer of DC Medicaid
Transportation Services to MetroAccess**

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input type="radio"/> Action <input checked="" type="radio"/> Information	MEAD Number:	Resolution: <input type="radio"/> Yes <input checked="" type="radio"/> No
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TITLE:

Potential Subsidy Impact of Medicaid Transfers

PURPOSE:

To provide the Board with information outlining the potential cost and operational impact to the MetroAccess service as a result of recent reductions in the District's Medicaid transportation budget and the subsequent shift of Medicaid recipients onto MetroAccess.

DESCRIPTION:

Rising Medicaid transportation costs prompted the District to approach Metro to explore options in June 2007. Metro assisted in transitioning Medicaid recipients to the Metrobus and Metrorail systems. In August 2008, the District reduced its Medicaid transportation budget, prompting its contractor to begin referring a large number of their clients to Metro. Due to a limited number of available personnel, Metro has, to the extent possible, continued to assist by providing system orientations and travel training to Medicaid recipients who are able to travel using fixed-route transit. A significant number of the Medicaid recipients referred, are unable to utilize fixed-route public transit. Many Medicaid customers, due to their special needs, receive a higher level of service than MetroAccess can provide.

FUNDING IMPACT:

The District's Medicaid transportation cost is approximately \$17 per trip, while the average paratransit cost is approximately \$38 per trip. Since August 1, 2008 MetroAccess has received in excess of 1,000 applications from Medicaid recipients referred by the District. If each Medicaid recipient who qualifies for paratransit eligibility travels 9 times per month using MetroAccess (the present average for paratransit customers), the resulting impact to the operating budget could exceed \$4.3 Million, not including capital costs.

RECOMMENDATION:

Recommend that the Board request the District to immediately cease referrals of Medicaid customers to MetroAccess. Encourage the District of Columbia to continue funding Medicaid transportation for those customers who cannot use Metrobus or Metrorail. Continue to promote Medicaid customers' use of fixed-route system and supplement with travel training where possible, with some to be provided by Metro. Promote the use of SmarTrip® cards with SmartBenefits for travel on Metrobus and Metrorail.



Impact of the Transfer of DC Medicaid Transportation Services to MetroAccess

Presented to the Board of Directors:

**Customer Service, Operations, and Safety
Committee**

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DC Medicaid vs. MetroAccess

- 70% reimbursable with federal funds
 - Only transports customers to medical appointments (many trips are door-**through**-door)
 - Uses system of small providers which keeps costs down (\$17/trip)
 - Accommodates special needs such as on-board attendants or stretchers
 - 50,000 van trips/month
- Not reimbursable—local funds only
 - **Must** transport to all destinations virtually 24 hours (door-**to**-door only)
 - Large volume requires large infrastructure (\$38/trip)
 - No attendant services; only standard wheelchairs
 - 140,000 trips/month and increasing



Recent Actions of DC Medicaid Program

- Attempted to use MetroAccess prime contractor to provide a major portion of service
- Attempted to assign full responsibility of travel training for fixed-route capable customers with disabilities to Metro
- Independently approached Medicaid recipients in group homes and senior centers to enroll them in MetroAccess service and advised of imminent “transition”





MetroAccess Operational Impacts

- Already operating with 16% more ridership than in the previous year, MetroAccess is challenged to expand its fleet and call center infrastructure to accommodate the demand
- Since MetroAccess has been a zero-denial service since 2000, all new requests for service must be honored
- Each referred Medicaid applicant will be subject to our eligibility certification process—the influx of over **1,000** applications has taxed that process and more are coming





Changes to MetroAccess Scope

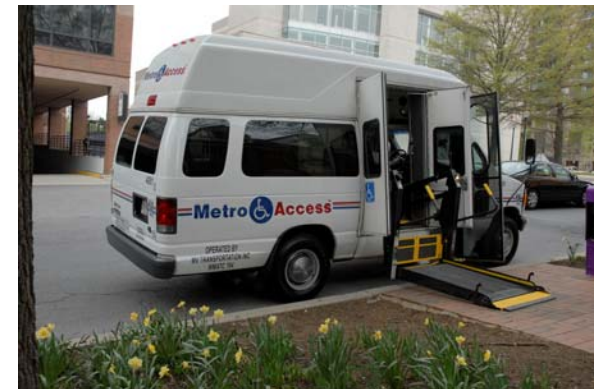
- Attendant services required, expanding customers' expectation for custodial services that are outside the scope of ADA complementary paratransit
- Mobility devices that exceed the ADA definition of the "standard wheelchair" will require unbudgeted variations in fleet composition
- Process for seeking reimbursement from federal Medicaid program is administratively burdensome and would require additional staff and resources





Cost Impacts

- At an average cost of \$38 per trip, the impact on the FY 2009 operating budget could exceed **\$4.3 million** for the first 1,000 customers
- Additional capital and fixed costs (not included in the \$4.3M above):
 - The need for expansion vehicles
 - Upgrades to the call center infrastructure to handle the additional volume





Recommendation

- Immediately cease referrals of Medicaid customers to MetroAccess
- Promote Medicaid customers' use of fixed-route system and supplement with travel training where possible, some provided by Metro
- Promote use of SmarTrip® cards with SmartBenefits for travel on Metrobus and Metrorail

