
REPORT

TO: MEMBERS ADA Transit Subcommittee to the Transit & Parking Commission
FROM: Crystal Martin, Metro Paratransit Program Manager
SUBJECT: **MANAGING BULK SALES OF PARATRANSIT FARE MEDIA**
DATE: 1/31/11

Metro Transit is seeking public input on a procedure to manage bulk ticket sales of paratransit Quik Tix to agencies.

Recommended procedures include:

1. Metro should not sell more than 3-5 booklets of tickets at a time; or
2. Metro should sell paratransit Quik Tix to individuals, not agencies;

or, alternatively (but not recommended):

3. Discontinue paratransit Quik Tix sales to individual and agencies, cash fares only; or
4. Metro should sell paratransit Quik Tix to individuals, other agencies, except not to the Medicaid Transportation Manager and Family Care MCOs;

Metro's goal is to have a policy in place by July 1, 2011 because the state has issued a RFP for a state wide Transportation Manager (TM) to administer the Medicaid Common Carrier program. The startup date is set for July 1, 2011. Dane County currently administers approximately \$8 million in Medicaid Common Carrier transportation annually. If half, or even just 25%, of those trips and costs were transferred to Metro paratransit, it would require a sizable budget increase if the TM opts to transfer trips and purchase paratransit tickets as opposed to negotiating an Agency Fare.

Metro Transit sells paratransit Quik Tix at 6 outlets, online, by mail and at our offices. Customers may purchase tickets in books of 15 tickets, each worth \$1 towards a \$3-\$4 fare. There just a few agencies that also purchase tickets to distribute to individuals that they support. The two agencies that routinely purchase paratransit Quik Tix are Dane County Human Services and Madison Metropolitan School District. A few other agencies order a small number of paratransit Quik Tix on occasion. Those include DVR, DWD, and Porchlight.

Paratransit Quik Tix are meant for customer convenience so that they don't have to handle cash. That is an important consideration for individuals who may be vulnerable in the community or who may not be able to handle money. On the other hand, agencies administer funding programs for customers and are not allowed to disburse funds directly to customers to reimburse for program expenses such as transportation so they purchase passes and tickets instead.

- It will be in the interests of the new Medicaid TM to control costs by moving as many people as possible from private local transportation companies to public transit while at the same time shifting costs to public transit. Public Transit includes Metro fixed route, Metro Paratransit, and County senior and persons with physical disabilities transportation programs not funded by Medicaid. The TM will have strong monetary incentive to shift costs using fare media and avoid or delay negotiating agency fares. The TM is not allowed to reimburse the customer for cash fares paid so access to bulk ticket orders are important.
- Managing Metro paratransit fare media is also important for our local transportation companies. By negotiating for agency fares and managing Metro's paratransit fare media, Metro will not unfairly compete against private local companies who will want to retain work that transfers to the TM. Metro's goal for paratransit is to be the TM's Best LAST choice for transportation, not their first choice.