



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Draft METRO PARATRANSIT MEDICAID WAIVER FUNDING & POLICY REVIEW AD HOC COMMITTEE

Monday, April 24, 2017

5:00 PM

210 Martin Luther King, Jr. Blvd.
Room 103A (Clerk's Conference Rm)

1. CALL TO ORDER / ROLL CALL

Staff: Nancy Senn, Crystal Martin, Ann Schroeder

Guest: Doug Hunt

Co-Chair Kaysen called the meeting to order.

Present: 7 - Rebecca Kemble; Tim Gruber; Margaret Bergamini; Carl D. DuRocher; Mary E. Jacobs; L. Jesse Kaysen and James D. Cobb

Absent: 1 - Ken Golden

2. APPROVAL OF MINUTES

Cobb moved approval of the minutes; Kemble seconded. Cobb abstained.
The motion passed by voice vote/other.

3. PUBLIC COMMENT

There was no public comment.

4. DISCLOSURES AND RECUSALS

There were no disclosures or recusals

5. [46990](#)

Financial Scenarios

Senn said potential scenarios B and D have been included. Cobb said scenario B is what he had mentioned a while back. Kaysen asked why Metro should believe the MCOs won't shift the rides to them at ticket price. Cobb said there is no reason to believe it either way; he isn't predicting what they might do. He just wanted the best case scenario to be represented. Bergamini asked how these scenarios were developed. Given that MA Waiver trips are currently a large portion of Metro's ridership and paratransit runs lean, are there any assumptions built into the scenarios in terms of a reduction or addition of staff people, staff time or other support costs.

Senn said she is going to answer with a clarification to a question from last time. When Metro looked at the 2016 data, there was a breakdown of rides and cost per provider. Metro wasn't included. Finance said the provider cost

is just their straight costs without considering Metro's administration of those contracts. Showing a Metro cost would be a fully loaded cost. There would have to be a lot of assumptions about splitting the administrative cost among the five providers, costing out for ambulatory/non-ambulatory, etc. So allocated costs under the revenue side is a separation of what falls to fixed route vs. paratransit. Looking at expenses, from paratransit drivers' salaries and benefits through bus depreciation – that is really operation of Metro vehicles. But other items, including administrative and supervisor salaries and budgets – the allocated costs would have to be divided between providers and Metro.

Bergamini wondered whether as Metro has been thinking about responding to this situation staff been entertaining possibilities of rearranging staff duties or any kind of overhead expenses and/or contracting expenses or any type of change scenarios to paratransit operations. Senn said the basic scenario has Metro accepting and scheduling requests. It has Metro providing some service. The most expensive rides will remain with Metro. Senn would expect an impact for Metro on the customer service side if rides are substantially reduced. Dispatching still requires communication whether dispatch to dispatch with our providers or with our own drivers, so she doesn't see that being substantially reduced. Metro only has one person scheduling and one person doing assessments; there isn't a lot of room to become more lean. Cobb said he would add that a lot would depend on consumer habits. He doesn't know how many people schedule their rides, no show, no loads. That would be another iffy area.

Senn said she knows on scenario B, that is what Cobb had tried to articulate earlier as a scenario. Talking about the concept of losing all of those rides, if Metro were to not alter anything with the way the services are right now, the cost stays at \$3.25 and services remain the same, there wouldn't be much incentive for MCOs to seek out Metro services.

Kemble said if Metro doesn't lose all trips, how many does Senn estimate Metro might lose. Senn said Martin noted what has transpired in other counties. It is a bit of a slow progress to get to a point where the MCOs know what they want and what they want to farm out. The scenario she envisions might be close to scenario C with a shortfall of \$1.2 million, losing 50% of the rides or scenario D, losing 25% of the rides. Metro might see this happen slowly. It depends on what other resources are available in the community and whether they can deliver a level of service that is more beneficial from the MCO standpoint. Kemble said the basic math is the fewer rides Metro loses and the more agencies change from agency fare to ticket price, the worse it is for Metro.

Gruber asked about operational impacts beyond financial. Bergamini said that was her question. The biggest impact would be on customer service staff reductions. Assuming Metro retains the most difficult and expensive rides, there is no room to cut in other areas. Senn said that is accurate.

6. [46991](#)

Prioritized Service Levels & Fare Recommendations - Action Item

Attachments: [Paratransit Recommendations - MAWC.pdf](#)

Martin suggested on the first page under background “services operate as a safety net” change to “services operate as a complement to fixed route.” At the bottom of page 2 – engagement scenario #1 – \$20 is Metro’s cost sharing rate. The actual agency fare is more like \$34/ride. Metro doesn’t want to negotiate with itself before getting to the table. It should say “our current audited agency fare.” That is where Metro should start. One clarification on page 3. For scenario #3 the last sentence that starts ‘Premium fares would be a disincentive to contract with MCOs, add “at the agency rate” at the end.

Kaysen said the priorities on the last page are those set by staff. She asked if members agree with those or had suggested changes. Martin said priorities in this case means most effective at dropping ridership or putting Metro in the negotiating position. Gruber the fare media priority meant. Senn said fare media means either going to cash or in this case it would mean there would be tickets only for agencies. Gruber said wouldn’t that make it harder for riders? It would, but it also makes it harder for agencies to purchase the cash fare. It’s a trade off. Senn said this is to put Metro in the best position to have MCOs want to work and negotiate service with Metro. Under agency fare are the features important to this client base.

Cobb said he has gone over the priority list several times. He wants to go on record saying that although he doesn’t like any of the changes, with the exception of raising the fare – that is overdue – he recognizes it is a necessity. Therefore, he supports the list of priorities.

Cobb moved that the committee endorse the priorities as listed. Jacobs seconded.

Gruber agreed with Cobb. He doesn’t really like these, but it is staff’s attempt to get Metro in the best position possible. Origin-to-destination won’t help that much in terms of cost as he understands it, and door to door will help with no shows. He’s ok with increasing the fares. Kemble said to be clear, would drivers still have the option of going to the door if someone wasn’t loading? Senn said she hasn’t thought it through that far, but the expectation with shifting to the curb to curb mode is the rider will be dropped or met at the curb unless the person’s disability requires door to door. That’s determined in the eligibility process. Cobb would also add seasonality to that because you can be at the curb at the right time, but the bus could be 20 minutes away in severe weather. That is important to keep in mind.

Bergamini said the vision for priority changes implies there are some triggers. If X happens, Metro would implement priority 1, if Y happens, Metro would implement priority 2. What would trigger these priorities? Senn didn’t know that she could provide an answer. That becomes the dilemma. Recommending these as priorities doesn’t set those triggers.

Martin said once the work of this committee is done, this goes through a public process for fares, service levels. Metro will have to make a budget submittal and be preparing as soon as January 1st for strategies for phase 1. If Metro is approached when the budget has been passed and the TPC approves this is

what Metro will have. Then Metro gets approached by MCOs and continue to develop this during negotiations. Bergamini said there is a bit of a cart before the horse. TPC doesn't get involved in the budget. Whatever assumptions are built into this don't get into the budget. Some of this will take 2 or 3 years to happen. Martin said some of these will take that long to implement. Our contract with the county expires December 31st. Hunt said the county will have to renew contracts because they don't convert everyone on January 1st. Revenues will be declining. The state had hopes of converting 50% by the end of the first quarter. It seems high.

Bergamini asked if contracts have a clause for continuation until successor agreements are set. Martin said Metro hasn't had that. It's just on good faith. Kaysen wanted to draw a line between the advice the committee is giving to the TPC and the decisions the TPC has to make.

DuRocher said if this list is sent to TPC, and it goes to public hearing, a lot of this would potentially be implemented in 2018 before Metro knows what the MCOs are doing. Maybe present this to the TPC as a fallback position rather than something that has to be done in case something else happens that might not happen. DuRocher wouldn't want to change the fares if not necessary. Changing fares from \$6.50 to \$16 round trip with companion could be devastating to some people. He assumes the term "companion" is so a PCA is still not charged. That would necessitate a complexity to separate companions vs. PCAs. There is a lot of overlap. A lot of companion trips would present themselves as PCA which would negate the impact of increasing the price. He's reluctant to vote yes and would prefer to present it as potential fallback positions rather than something to start implementing. Especially since this will be implemented over time in 2018.

Cobb said his heart agrees with DuRocher, but his head says the committee needs to get something out and to go into more detail like companion vs. PCA only confuses the issue. The charge of the committee is for the Mayors budget. The Mayor doesn't need to know the difference between a companion and a PCA. That's why Cobb moved that the committee accept the priority list as is without fleshing it out further with technical details. Senn said in the MCO RFP, it talks about full implementation of the people on the service now by the end of 2018. Kemble said she wonders if the companion/PCA could be identified in the certification process. She asked about public hearings on something other than the fare increase. Martin said there would be public hearings either at the same time as the fare increase or separately. They could be done as things are implemented, not necessarily now. There is a budget issue which needs recommendations to budget planning staff from this committee now, but there is also a bigger political question about sending a message to MCOs what to expect. Martin said also communication to our customers so agencies coming in know what to plan for them. Kemble said she wonders how open and transparent Metro should be about fears/expectations that agency fares may go away. Bergamini said this came up earlier when she brought up whether to go into closed session.

Kaysen said due to the short timeline of materials received, the committee might need to decide this at a future meeting. Cobb said he would be glad to table the motion. Jacobs agree. Bergamini moved to refer this matter to May

8th meeting; Kemble seconded. The motion passed. Send suggested wording changes to Senn and copy Kaysen.

7. [46992](#) Family Care RFP for MCOs Q&A

Attachments: [FC RFP QA.pdf](#)

Senn said Metro did not get answers from the questions submitted to the state. They should be giving answers to all questions asked so everyone can see answers. The first question is the one Senn submitted previously. The second captured a question that Golden sent in to Senn. Bergamini said she tried the broken link today. It is working and goes to a 117-page document about how capitation rates were set in 2016. Senn said what is in there probably doesn't get to the point of Golden's question – what is being factored into the capitation rate.

8. Report of Members

There were no member reports.

9. Other

There were no other reports.

10. ADJOURNMENT

Cobb moved adjournment, Gruber seconded. The meeting adjourned at 5:53 PM.