

APTA 2011 Bus & Paratransit Conference

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Advantages of Public Transportation to the Medicaid Transportation Model



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Public Transit*

- **In 2010, Americans took 10.2 billion trips on public transportation**
- **35 million people board public transportation daily**
- **Public transportation is a \$54 billion industry employing more than 400,000 people**
- **More than 7,700 organizations provide public transportation in the U.S.**
- **Public transportation saves fuel, reduces congestion**
- **Every \$1 invested in public transportation generates approximately \$4 in economic returns**
- **Households that take public transportation, and live with one fewer car can save more than \$9,900 per year**

Changes in Medicaid Transportation

“Cost Containment Pressures”

- **Each state is responsible for designing and operating its own Medicaid non-emergency medical transportation (“NEMT”) program**
- **States are under enormous budgetary constraints nationwide**
- **Medicaid purchases 3 billion dollars of transportation services annually**
- **States are actively promoting business models to contain Medicaid transportation costs**
- **Passage of the Affordable Care Act (“ACA”) increases Medicaid enrollment nationwide**
- **As the payer of last resort, Medicaid seeks the most effective, economical mode of transportation**
- **Public Transportation is not only the most cost-effective mode of transportation but often times has the capacity where available**
- **Modal justification requirements can result in increased public transportation usage**



Coordinated Transportation Solutions

- **Connecticut-based Not-for-Profit Organization**
- **Founded in 1997**
- **Nationally Recognized Leader in the Provision of Transportation Management Services**
- **Provides over 1.2 million trips annually**
- **400,000 Recipients under Contract**
- **In March 2010, CTS paid an approximate \$20.00 per livery/wheel chair trip and \$1.39 per public transit trip with cost savings of approximately \$18.61 with public transit modal determination**

It is the mission of CTS to increase the availability of cost-effective and efficient transportation services to transportation disadvantaged individuals and communities.



CTS Public Transit Annual Utilization Data

Total Trip count: 1,250,000

Annual Public Transit/Fixed Route Trips: 711,036

Public Transit % of Total Trip Count: 57%

Cost Savings: \$14,220,720



Medicaid Rules and Regulations

- **Medicaid Transportation is a “Medical Service” using “Medical Models”**
- **Public Transit passes must “follow” the person and medical appointments**

person oriented vs. system oriented

- **Medical and ADA services**
 - 1. Somewhat different rules and regulations**
 - **Urgent visits**
 - **24/7 availability**
 - **trips outside the ADA corridor**
 - 2. “Shedding”**



Summary

**Use of public transit/ fixed route
services =**

**win-win for Public Transit,
Medicaid and our Customers**

