



The Florida Senate

Interim Project Report 2000-68

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Committee on Transportation

Senator Roberto Casas, Chairman

REVIEW OF THE TRANSPORTATION DISADVANTAGED PROGRAM

SUMMARY

The Transportation Disadvantaged (TD) Program was created in 1979 to accomplish the coordination of transportation services among all state agencies and local government units that purchase transportation for their clients. Since its inception this public/private program has provided critical transportation services to Florida's elderly, disabled and poor. However, in recent years the TD Program has been subject of much scrutiny and debate. The Legislature has mandated several independent evaluations of the program and considered numerous proposals to restructure the TD Program.

The complexities of this program and divergent interests of stakeholders make consensus difficult to reach. Nevertheless, there are a number of issues on which there is general agreement. For example, it is widely acknowledged the current size and composition of the Commission has generated considerable controversy and needs to be addressed. Similarly, it is generally agreed the TD Program has matured to the point where more of the decision-making authority should reside at the local level. At the same time, there is a continuing need to address the issues of cost-effectiveness and accountability.

The Legislature should consider the following actions: revise the size and composition of the Commission for the Transportation Disadvantaged; reduce the number of appointing entities and establish stringent conflict of interests provisions for Commissioners; amend current statutory responsibilities to allow greater discretion on the part of local decision-makers in the development and management of their programs; establish the membership of local coordinating boards in statute and require each local coordinating board establish a grievance review process; and direct the Commission to develop a standardized cost reporting methodology and conduct periodic cost analysis of TD services in each service area.

BACKGROUND

Persons are considered transportation disadvantaged when physical or mental disability, income status, or age make them unable to transport themselves or to purchase transportation. These conditions cause them to rely on others to obtain access to health care, employment, education, shopping, or other life-sustaining activities. Handicapped children or children at-risk or high-risk are also eligible for services under this program (s. 427.011, F.S.) The Center for Urban Transportation Research estimates approximately 1.25 million Floridians are currently eligible for transportation disadvantaged services and 5.7 million Floridians are potential users of the Transportation Disadvantaged (TD) Program.

Eligible persons use the TD Program for a variety of purposes (see Exhibit 1). Trips made by clients of agencies for the purpose of participating in agency-sponsored programs (congregate meals, Medicaid, etc.) are termed *Program trips*. *General trips* are made by TD eligible persons to destinations of their choice (work, shopping, non-Medicaid medical trips, etc.). Trips are also distinguished as "sponsored" or "non-sponsored" based on the funding source. Sponsored trips are subsidized by social service agencies; non-sponsored trips are subsidized by the TD Trust Fund and other sources.

Transportation services are provided to eligible persons through both paratransit and fixed-route transit systems. Paratransit or demand-response service provides origin-to-destination service on demand or on a subscription basis. Paratransit services utilize automobiles, minivans, lift-equipped and standard vans and buses. Fixed-route transit systems are utilized in those areas where fixed-route resources are available and eligible persons are capable of using such transit systems. The number of TD trips provided through Florida's 19 fixed-route transit agencies has increased significantly in recent years.

**Exhibit 1
Transportation Disadvantaged Program
1998 Paratransit Trips by Trip Purpose**

Trip Purpose	Number
Medical	11,542,017
Education/Training	8,705,572
Employment	6,634,156
Life Sustaining	2,267,795
Nutritional	2,267,750
Other	5,192,550
Total	36,609,840

The TD Program is administered through a decentralized network of state and local organizations (see Exhibit 2). The Commission for the Transportation Disadvantaged (Commission) is the state entity responsible for ensuring the coordination and delivery of TD services in a cost-effective manner throughout the state. Various state agencies provide funding for specific client groups. At the local level, coordination of TD services is accomplished through planning agencies, local advisory boards, community transportation coordinators and transportation operators.

Commission for the Transportation Disadvantaged

The Legislature created the Commission for the Transportation Disadvantaged in 1989 as an independent entity within the Department of Transportation. The mission of the Commission is to ensure the availability of efficient, cost-effective and quality transportation services for transportation disadvantaged persons. The Commission also administers the Transportation Disadvantaged Trust Fund. The TD Trust Fund is used to subsidize trips, provide funding for TD eligible persons not otherwise funded and provide for administrative expenses.

The Commission is currently comprised of 27 members representing a broad spectrum of interested parties. The members represent state social service agencies, the Department of Transportation, a public transit association, various citizens' advocacy groups from rural and urban areas, transportation providers, the non-transportation business community, and community transportation coordinators. Appointments to the Commission are made by the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Commissioner of Agriculture. The Commission

assists communities in establishing coordinated transportation systems, manages contracts and memoranda of agreement, develops a five-year transportation disadvantaged plan and addresses statewide transportation issues impacting TD eligible persons.

The Commission is also responsible for assuring state agencies purchase transportation services from within the TD coordinated system unless a more cost-effective provider outside the coordinated system can be found by the purchasing agency in compliance with chapter 427, F.S. However, the Commission has no direct authority over agency transportation policies or funds used to purchase TD services.

Local Coordination Entities

At the local level, the TD Program is implemented through a network of planning agencies, local advisory boards, community transportation coordinators, and transportation operators. Florida's 67 counties are currently divided into 50 TD service areas. While most urban counties are single county service areas, some rural counties are organized into multi-county service areas. The following entities work cooperatively within each local service area:

Official Planning Agency - Planning agencies are responsible for recommending the local community transportation coordinator to the Commission. In addition, the planning agencies appoint and staff the local coordinating board. A metropolitan planning organization, regional planning council, or county planning unit may serve as the official planning agency.

Local Coordinating Board - Local coordinating boards identify local service needs and provide information, advice and direction to the community transportation coordinator. A local elected official chairs the board. The size and composition of the board is established by the Commission.

Community Transportation Coordinators (CTC) - The CTC is the entity responsible for the actual arrangement or delivery of transportation services within their local service area. Services provided by CTCs include scheduling transportation services, processing reimbursements, contracting and monitoring of transportation operators and delivery of transportation services. A CTC may be a government entity, a transit agency, private not-for-profit agency or a for-profit company. A CTC may function as a sole

source provider or it may broker part or all of the trips to other transportation operators.

Transportation Operators - Transportation operators or providers contract with the CTC for transportation services. Alternatively, transportation operators may contract directly with the sponsoring agency. There are approximately 400 transportation providers currently participating in the TD Program. This total includes a number of CTCs who provide direct transportation service in addition to coordinating the activities of other transportation providers within their local service area.

Program Funding

The TD Program is funded through a variety of federal, state and local sources. According to the Commission, fiscal year 1997-98 TD expenditures totaled \$225 million. This expenditure translated into approximately 60 million one-way trips (includes trips outside of the coordinated system). At the state level, the Agency for Health Care Administration, which administers the Medicaid program, was the single largest funding entity, contributing \$54.7 million in fiscal year 1997-98 (see Exhibit 2). The Commission, through the TD Trust Fund, was the second largest funding entity, contributing \$25.7 million. Other funding agencies include the Department of Children and Families, the Department of Transportation, the Department of Elder Affairs, and the Department of Labor and Employment Services.

**Exhibit 3
Transportation Disadvantaged Program
1997-98 Actual Expenditures Report
In Millions**

Agency	Amount	Percent
Agency for Health Care Administration (Medicaid)	54.7	24.3
Commission for Transportation Disadvantaged	25.7	11.4
Department of Children and Families	12.5	5.5
Department of Transportation	9.6	4.3
Department of Labor and Employment Security	2.7	1.2

Department of Elder Affairs	8.0	3.6
Local & Federal	111.9	49.7
Total	225.1	100

Funding sources for the TD Trust Fund include motor vehicle registration fees (\$1.50 per registration), temporary handicapped tag fees (\$5.00 per tag), and a 15 percent transfer from the Florida Department of Transportation's public transit block grant monies. In addition, individuals may make a voluntary contribution of \$1.00 when applying for motor vehicle registration. The Commission distributes trust fund dollars to local entities through planning grants and trip/equipment grants. The Commission allocates \$1.3 million annually to the various planning agencies to support local TD planning and staffing functions. Trip and equipment grants are distributed to CTCs and are to be used for the provision of non-sponsored trips and the procurement of capital equipment.

METHODOLOGY

In order to assess policy options relating to the Transportation Disadvantaged Program, Senate staff interviewed and surveyed numerous program stakeholders, including members of the Commission, planners, representatives from local coordinating boards, and community transportation coordinators. Staff also sought input from state and national transportation authorities and researched comparable programs in other states. Finally, staff conducted an extensive review of literature, including previous legislation impacting the TD Program.

FINDINGS

Florida's TD Program is often cited as a model coordinated transportation system. In contrast to other states where services for the transportation disadvantaged are nonexistent or fragmented, Florida's TD Program is designed to coordinate planning, service delivery and oversight statewide. Similarly, few other states have established a dedicated funding source for transportation disadvantaged services comparable to the TD Trust Fund. However, the TD Program has come under intense scrutiny in recent years. Several evaluations have identified areas of concern and have recommended major changes to the TD Program. While the Commission has taken action to address a number of these concerns, and legislation restructuring the TD Program has been considered during recent legislative

sessions, many of the most contentious issues remain unresolved.

Recent Studies of the TD Program Identify Concerns

In recent years the Legislature has mandated several evaluations of the TD Program. In 1997, the Office of Program Policy Analysis and Government Accountability (OPPAGA) conducted a performance audit of the TD Program. In 1998, the Transportation Disadvantaged Work Group, a multi-agency task force created by the Legislature to recommend changes to the TD Program, issued its final report. These evaluations identified numerous issues of concern and proposed recommendations to address those concerns.

OPPAGA Report - In its report (*Review of the Transportation Disadvantaged Program, Report No. 96-43*), OPPAGA concluded coordinated systems have been established throughout the state to serve the transportation disadvantaged. However, the Program's cost-effectiveness could not be readily determined because costs of service vary widely throughout the state. The report also found the use of fixed-route systems reduced costs, but some social service agencies were reluctant to transfer clients from paratransit to the fixed-route systems. The report concluded monitoring and reporting activities are fragmented, increasing costs and reducing accountability. The report also noted certain Commissioners appeared to have business relationships with each other and could potentially benefit from Commission decisions.

The OPPAGA report contained a number of recommendations for the Legislature and the Commission to consider, including:

- C examine the size, composition and role of the Commission, either making it smaller or reassigning its functions to the Department of Transportation;
- C incorporate stringent eligibility criteria in the definition of transportation disadvantaged clients;
- C streamline program reporting and monitoring requirements;
- C eliminate conflicting agency policies that inhibit coordinated efforts; and
- C modify the formula used to distribute the TD Trust Fund to provide for a more equitable distribution of funds to urban and rural service areas.

The Commission generally agreed with OPPAGA's findings and implemented a number of the recommendations. For example, the Commission revised eligibility guidelines, initiated a joint monitoring program with local coordinating boards and modified the TD funding formula. However, the Commission disagreed with the report's recommendations concerning the size and role of the Commission.

Transportation Disadvantaged Working Group - The TD Working Group was comprised of agency heads from key state agencies involved in the TD Program. The Working Group's report proposed numerous changes relating to the size and role of the Commission, eligibility and screening requirements, enhanced local decision-making and the TD funding formula.

The Working Group concluded the current 27 member Commission is too large and should be downsized to be more effective. The report recommended membership of the Commission should consist of no more than 16 members and should be balanced in terms of stakeholder representation. Specifically, the report recommended that the Commission should include representatives from those state agencies that provide a significant amount of funds for the TD Program, citizen representatives, planning agencies, and certain service providers. The report also recommended reducing the number of appointing authorities from four to one.

The Working Group determined the role of the Commission should be focused on ensuring the most cost-effective and efficient provision of transportation services, while promoting local decision-making authority in program design, implementation and evaluation. The report recommended that while the Commission should continue to fulfill its core responsibilities, statutory language should be revised to allow greater discretion on the part of local decision-makers in their program. Additional recommendations included the following:

- C Ch. 427, F.S., should be revised to incorporate specific eligibility criteria;
- C the TD Program should encourage the development and use of more cost-effective transportation alternatives (fixed-route transit) within the coordinated system; and
- C the Commission should establish a basic services rate model that includes those standards common to all agencies and that add-on charges be assessed for any agency-specific requirements above this base.

Recent Legislative Proposals

The TD Program has been the focus of numerous legislative proposals in recent years. During the 1999 Legislative Session two bills were introduced that would have significantly changed the structure and operation of the TD Program. Both bills drew on the findings and recommendations of the previously discussed evaluations of the TD Program, as well as input from various TD Program stakeholders.

Senate Bill 158 - This bill would have reduced the Commission from 27 to 9 members. Five of the proposed Commission designees represented the major state funding agencies. The four remaining designees each represented an important stakeholder group of the TD Program. The bill provided that each of the non-agency representatives would be appointed by the Governor and would be subject to confirmation by the Senate. Membership on the Commission would include:

- (1) a representative of the Department of Transportation;
- (2) a representative of the Department of Children and Families;
- (3) a representative of the Department of Labor and Employment Services;
- (4) a representative of the Department of Elder Affairs;
- (5) a representative of the Administration for Health Care Administration;
- (6) a representative of a public transit agency;
- (7) a representative of persons who use the TD system;
- (8) a representative of transportation operators; and
- (9) a representative of the counties.

The bill provided that the Commission would function primarily as a statewide policy review board and established a "rate and quality of service review committee" within the Commission to review and resolve rate and quality of service issues which cannot be resolved at the local level. The bill also reduced the size of the local coordinating boards to the same size and representation (with the addition of a local WAGES coalition representative) as proposed for the Commission.

The bill transferred much of the authority now vested with the Commission to the local coordinating boards and the Department of Transportation. For example, the bill reassigned responsibility for selection of the community transportation coordinator to the local coordinating board. Similarly, the bill provided local

coordinating boards approve local TD service plans and establish criteria for the use of alternative providers outside of the coordinated system. Other notable provisions of the bill included:

- C the bill established competitive procurement guidelines to be employed in the selection of the community transportation coordinator and transportation operators;
- C the bill directed the Department of Transportation to contract for a study which would establish a baseline level of service which defines the minimum qualitative level of service that is agreeable to all purchasing agencies;
- C the bill transferred responsibility for the administration of the TD Trust Fund to the Department of Transportation; and
- C the bill provided for the development of a joint strategic plan and interagency agreements to improve the coordination of TD services among the various state agencies.

House Bill 1633 - This bill provided for an 11 member Commission with the Governor appointing 6 members, and the Senate President, House Speaker, State Treasurer, Education Commissioner, and Agriculture Commissioner each appointing 1 member. The 6 members appointed by the Governor would include a person with a disability, a person over the age of 60, a person who uses the TD system, and a representative of the Department of Transportation, the Department of Elder Affairs, and the Agency for Health Care Administration. The Commission would also include 4 non-voting representatives from other agencies that participate in the TD Program. The bill also included requirements concerning managerial experience and stringent conflict of interest criteria for Commission members.

The bill provided for enhanced local control by providing that in service areas where the county commission elected to become the Local Governing Authority (LGA), TD services would be administered by the LGA. The LGA would also have the option of becoming the Community Transportation Coordinator (CTC) for its service area, or appointing another entity as the CTC. In all other areas, the Commission would administer TD services through selection of a CTC for each designated service area.

Under this bill the Commission would retain most of its existing statewide functions. For example, the Commission would continue to distribute funds from the TD Trust Fund to each county and develop criteria that all CTC's would have to use to determine passenger eligibility for trips purchased with TD Trust Fund monies. The bill provided the Commission with the additional responsibility of reviewing the cost effectiveness of each CTC at least once every three years. The resulting report would include information on actual expenditures, public and private market cost comparisons, anti-fraud and quality assurance programs, and eligibility screening efforts.

Survey Findings Support Change

In order to assess TD stakeholder opinion, Senate staff surveyed members of the TD Commission, the chair of each local coordinating board, representatives of planning agencies and community transportation coordinators. The survey contained questions on a range of program issues, including: current Commission representation; appropriate responsibilities for various TD entities, and changes in program requirements and funding provisions. The survey also prompted respondents to comment on the major provisions of House Bill 1633. The survey revealed broad support for changes to the Commission and the responsibilities of local TD entities.

In the survey of TD stakeholders, 77% (37 of 48) of the respondents indicated the current Commission is not balanced in its representation. Respondents generally indicated support for a smaller Commission with greater representation for funding agencies and disabled users of the TD Program. Survey respondents reported the Commission should focus on the following responsibilities: training and technical assistance to local entities; establishing system-wide accounting and reporting standards; and management of the TD Trust Fund. The majority of respondents indicated most planning, management and evaluation responsibilities should reside at the local level.

Most of the surveyed stakeholders (26 of 43) expressed support for the development of a basic services rate model that would clarify costs by identifying agency-specific requirements above an agreed upon base level of service. Several respondents noted local ordinances governing for-hire vehicles, not agency requirements, often increase program costs. Although most (30 of 48) survey respondents were opposed to incorporating more stringent eligibility criteria into Florida Statutes, many indicated the current definition of transportation

disadvantaged is excessively broad, and needs clarification. While the majority (76%) of survey respondents expressed support for revising the current TD Trust Fund formula, there was less consensus concerning how the TD funding formula should be revised.

While the majority (77%) of respondents indicated support for the key provisions of House Bill 1633, the survey revealed widely differing opinion regarding Commission composition. Many stakeholders reported the Commission membership proposed in House Bill 1633 represented a reasonable compromise. However, a number of respondents asserted that Commission membership should be balanced with regard to the primary stakeholder groups, i.e., purchasing agencies, user/advocates, local TD entities and transportation providers. While survey respondents expressed strong support for the concept of local empowerment, a number questioned whether the Local Governing Authority provision contained in House Bill 1633 was warranted.

Summary and Conclusions

This year marks the 20th anniversary of the TD Program, and the 10th anniversary of the TD Commission. Since its inception the TD Program has made significant progress toward meeting the transportation needs of a large and vulnerable segment of Florida's population. Despite its considerable accomplishments, the TD Program has been the subject of much contention in recent years. Most of the debate has centered on the Commission itself, although a number of operational concerns have surfaced as well. Based on the findings contained in this report, we offer the following conclusions:

The Commission for the Transportation Disadvantaged should be reduced in size. The number of appointing entities should also be reduced. In addition, stringent conflict of interests provisions for Commissioners should also be adopted. Finally, appointments should be made to provide balance for gender, race and geographical regions.

There is a continued need for an independent Commission to ensure the most cost-effective and efficient provision of transportation services to the transportation disadvantaged. Commission responsibilities should focus on establishing minimum program standards, technical assistance to local entities and coordination of statewide TD issues. In order to enhance responsiveness to community needs, local TD

entities should assume greater responsibility with respect to program design, implementation and evaluation.

Both the Commission and local TD entities should continue to develop more cost-effective and efficient service delivery options. Standardized cost data is needed in order to further this goal. Similarly, additional efforts are needed to ensure that limited program resources are expended on transportation services for the truly needy.

RECOMMENDATIONS

Amend ch. 427, F.S., to implement the following:

- C Reduce the size of the TD Commission. The reconstituted Commission should include, at a minimum, representation for major purchasing agencies and consumers/users.
- C Reduce the number of entities authorized to make appointments to the TD Commission.
- C Incorporate stringent conflict of interests provisions for TD Commission members.
- C Require appointments to the TD Commission be made with regard for representation for gender, race and geographical regions.
- C Revise the current statutory responsibilities to allow greater discretion on the part of local decision-makers in the development and implementation of their programs.
- C Authorize the use of block grants to local TD entities for non-sponsored (TD Trust Fund) transportation services.
- C Establish the membership of the local coordinating boards in statute and require that each local coordinating board establish a grievance review process.

- C Incorporate basic eligibility criteria for non-sponsored trips. Local TD entities should retain authority for the establishment of final eligibility criteria.
- C Direct the Commission to establish a basic services rate model that includes those standards common to all purchasing agencies, as well as add-on charges to be assessed for any agency-specific requirements above this base.
- C Direct the Commission to develop a standardized cost reporting methodology and conduct periodic cost analysis of TD services in each service area.

COMMITTEE(S) INVOLVED IN REPORT (Contact first committee for more information.)

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MEMBER OVERSIGHT

Senator Hargrett and Senator Mitchell