

**MBTA Paratransit (OTA) Budget Memo**  
**March, 2014**

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**The RIDE - Background/Current Situation**

Originally envisioned as a small safety-net service for those who could not access bus or rail due to disability, complementary paratransit services in the U.S. have exploded in size and scope – first in the 1990s as part of increased awareness and requirements associated with the Americans with Disabilities Act, and more recently due to an increasing elderly population. The MBTA’s RIDE program, moreover, exceeds minimums established by the ADA and serves 60 cities and towns in their entirety, 365 days a year, from five a.m. to one a.m. By FY2012, THE RIDE had experienced 10% average annual growth over the previous five years and fiscal year costs consistently exceeded \$100M.

This operational expansion, along with a highly complex administrative support network, exceeded RIDE organizational capacity and did not allow for internal improvement projects designed to significantly increase efficiency or effectiveness of services. The RIDE’s skyrocketing costs began to attract the attention of the media, MassDOT’s audit division, and the State’s Inspector General, as well as a gubernatorial commission created by Executive Order 530 in August 2011.

Recognizing a pressing need, then General Manager Davey brought in external resources to recommend reforms and design the framework for improved operations. In March of 2011, the MBTA selected Nelson\Nygaard, a nationally recognized transportation consulting firm in the area of paratransit services, to complete a “stem to stern” review of THE RIDE (attached). The firm analyzed six strategies designed to improve the efficiency and effectiveness of RIDE services while also slowing cost increases. Based on this analysis, discussions with customers, internal evaluations of RIDE capacity, and sharing of best practices with other transit agencies, the MBTA decided to move forward with a comprehensive approach to improving of RIDE service while containing costs.

Currently, RIDE service is on a pace to cost less than \$100M for the first time since FY12 and \$20M less than its peak in FY12. Ridership, it should be noted, has stayed fairly constant since the beginning of FY13:

	Fixed Cost	Reg Pax Trip	Fuel	Total Fiscal Cost
FY 2010	\$23,359,910.04	\$59,624,447.15	\$5,545,577.78	\$ 88,529,934.97
FY 2011	\$23,756,592.80	\$67,036,217.90	\$7,490,317.71	\$ 98,283,128.41
FY 2012	\$25,019,637.24	\$79,686,086.82	\$8,841,182.86	\$ 113,546,906.92
FY 2013	\$26,356,291.56	\$68,072,524.50	\$7,483,755.80	\$ 101,912,571.86
FY 2014	\$28,028,626.08	\$71,725,579.38	\$7,384,626.45	\$ 107,138,831.91
FY 2015 Jul - Dec	\$7,988,376.24	\$34,604,119.25	\$3,388,057.46	\$ 45,980,552.95
<b>Projected FY15</b>	<b>\$15,976,752.48</b>	<b>\$69,208,238.50</b>	<b>\$6,776,114.92</b>	<b>\$91,961,105.90</b>

## RIDE Improvements - Summary

Improvements to Current Operations	Time Frame	Service Benefits	Cost Savings per year (full implementation)
Creation of Premium Fare (\$5)	Complete: July 2012	Identified for customers the approximately 300,000 trips per year provided by the MBTA that are neither covered nor mandated by the ADA.	Contributed, along with the ADA fare increase (since partially rolled back), to a reduction in ridership.
In-Person eligibility process	Complete: December 2012	Improved accuracy, accelerated determinations, expanded access to resources.	\$7M
New RIDE contracts	Complete: July 2014	Expanded core area (decreased transfers)	\$20M
Expansion of In-Person Eligibility (conditional eligibility)	Partially complete: determinations made but enforcement has not been implemented	Increased convenience and safety; more accurate trip-by-trip eligibility	\$1M+
Subsidized taxi program	Spring 2015	Expanded transportation options; on-demand and 24/7	\$.6 – 1.7M
Increased coordination with HST	Complete: Summer 2013	Free transportation to medical appointments	
No show/cancellation policy	Complete: Winter 2014	Increased efficiency due to more accurate trip planning and eliminated detours	Might lead to slightly lower bids FY15-FY17; if centralized call/dispatch center established after FY18, would improve productivity and lower RIDE costs.
Travel training	Complete: Spring 2013		\$150K – 485K
Technology upgrades: Run structures, real time automated customer alerts	Partially complete: Winter 2014 (one of three vendors)	More efficient routes; better customer service	\$2.5M – 5M

	upgraded)		
Creation of RIDE Charlie Card (free or reduced fixed route access)	Winter 2015	Reduced fare impact	\$.5 – 3M
<b>Improvements to future operations (post procurement)</b>			
Centralized call center	2016+	Simplified approach for customers	
<ul style="list-style-type: none"> <li>Reducing duplicative staff</li> </ul>	2016+	Single point of contact for customers	\$2.8M
<ul style="list-style-type: none"> <li>Improved run structures</li> </ul>	2016+	More efficient trip scheduling	\$5M (overlaps with trip optimization above)
<ul style="list-style-type: none"> <li>More efficient transfers</li> </ul>	2016+	Easier to travel long distances	\$.25M - .5
<ul style="list-style-type: none"> <li>Eliminating service zones/reducing duplication of coverage</li> </ul>	2016+	Reducing or organizing transfers	\$5.2M
Introducing a mix of vehicles/brokerage approach	2016+	Sustainability of current large service area.	\$2.7M (speculative)