



Appendix C: Additional Funding Information

Federal Transit Administration Funding Programs

Section 5310: Elderly Individuals and Individuals with Disabilities Program

Overview: The goal of the Section 5310 program is to improve mobility for elderly individuals and persons with disabilities. Each year FTA apportions funds annually to the states based on an administrative formula that considers the number of elderly individuals and individuals with disabilities in each state. PennDOT is the designated recipient of funds in Pennsylvania.

Eligible Recipients: FTA permits the following organizations to be eligible recipients of Section 5310 assistance:

- a private non-profit organization, if public transportation service provided by state and local governmental authorities under Section 5310(a)(1) is unavailable, insufficient, or inappropriate; or
- a governmental authority that:
 - is approved by the State to coordinate services for elderly individuals and individuals with disabilities; or
 - certifies that there are not any non-profit organizations readily available in the area to provide the special services.

In Pennsylvania, eligible applicants also include any public bodies designated as either County Coordinators or Primary Contractors under the lottery-funded Senior Citizens Shared-Ride Program. Also eligible are any private nonprofit organizations involved in the transportation of the elderly and/or persons with disabilities.

Eligible Activities: In Pennsylvania, Section 5310 is primarily a vehicle purchase program. Other activities allowed by FTA include the following:

- Vehicles and vehicle related expenses including: Buses; Vans; Radios and communication equipment; Vehicle shelters; Wheelchair lifts and restraints; Vehicle rehabilitation; manufacture, or overhaul; Preventive maintenance, as defined in the National Transit Database (NTD); and Extended warranties which do not exceed the industry standard.
- Lease of equipment when lease is more cost effective than purchase.
- Computer hardware and software.
- Initial component installation costs.
- Vehicle procurement, testing, inspection, and acceptance costs.
- Acquisition of transportation services under a contract, lease, or other arrangement.



- The introduction of new technology into public transportation.
- Transit related intelligent transportation systems (ITS).
- Supporting new mobility management and coordination programs among public transportation providers and other human service agencies providing transportation.

Funding and Matching Requirements: The Federal share of a Section 5310 grant is eighty percent. PennDOT limits the maximum award to a single applicant to \$200,000. The total amount of the application request cannot exceed \$250,000 (\$200,000 Federal share/\$50,000 local share) unless the applicant elects to provide local match above the minimum 20% requirement (overmatch). Even if the applicant overmatches, the total amount of the Federal share cannot exceed \$200,000.

Application Process: PennDOT administers the application process for selecting Section 5310 recipients. With the upcoming funding cycle beginning in early 2008, PennDOT will review applications and only select projects for Section 5310 funding that are derived from a coordinated plan.

Section 5316 Job Access and Reverse Commute

Overview: The Job Access and Reverse Commute (JARC) program has recently been converted from a discretionary competitive program to a formula program. The goal of the JARC program is to improve access to transportation services to employment and employment related activities for welfare recipients and eligible low-income individuals and to transport residents of urbanized areas and nonurbanized areas to suburban employment opportunities.

Eligible Recipients: There are three categories of eligible subrecipients of JARC funds:

- private non-profit organizations;
- state or local governmental authority; and
- operators of public transportation services, including private operators of public transportation services.

Eligible Activities: Eligible activities may include, but are not limited to capital, planning, and operating assistance to support activities such as

- Late-night and weekend service; Guaranteed ride home service; Shuttle service; Ridesharing and carpooling activities and other services designed to support employee commutes made on alternative modes;
- Expanding fixed-route public transit routes or demand-responsive van service;
- Transit-related aspects of bicycling (such as bike racks on vehicles and bike parking)
- Car loan programs to assist individuals in purchasing or maintaining vehicles for shared rides;



- Promotion, through marketing efforts, of the use of transit, use of transit voucher programs, development of employer-provided transportation such as shuttles, ridesharing, carpooling, or use of transit pass programs;
- Supporting the administration and expenses related to voucher programs.
- Acquiring Geographic Information System (GIS) tools;
- Implementing Intelligent Transportation Systems (ITS);
- Integrating automated regional public transit and human service transportation information, scheduling and dispatch functions;
- Deploying vehicle position-monitoring systems;
- Subsidizing the costs associated with adding reverse commute bus, train, carpool van routes or service from urbanized areas and non-urbanized areas to suburban work places; subsidizing the purchase or lease by a non-profit organization or public agency of a van or bus dedicated to shuttling employees from their residences to a suburban workplace;
- Otherwise facilitating the provision of public transportation services to suburban employment opportunities; and
- Supporting new mobility management and coordination programs among public transportation providers and other human service agencies providing transportation.

Funding and Matching Requirements: The Federal share of eligible capital and planning costs may not exceed 80 percent of the net cost of the activity. The Federal share of the eligible operating costs may not exceed 50 percent of the net operating costs of the activity. All of the local share must be provided from sources other than Federal DOT funds.

Application Process: A key element associated with the JARC program under SAFETEA-LU is the requirement for projects to be derived from a coordinated plan and to be selected based on a competitive process. In the Pittsburgh urbanized area, project applications will be solicited and competitively selected by the Access-to-Work Interagency Cooperative using evaluation criteria developed as a part of this coordinated transportation plan. JARC is administered by PennDOT for small urbanized and nonurban areas. The Southwestern Pennsylvania Commission (via ATWIC) will review rural and small urban applications for accuracy and completeness and prioritize the applications on the basis of how well projects align with the coordinated plan. ATWIC will forward the funding requests to PennDOT.



Section 5317: New Freedom Program

Overview: The New Freedom Program is a newly authorized program aimed specifically at providing services to persons with disabilities above and beyond that required under the Americans with Disabilities Act of 1990. Both new public transportation services and new public transportation alternatives are required to go beyond the requirements of the ADA and must (1) be targeted toward individuals with disabilities; and (2) meet the intent of the program by removing barriers to transportation and assisting persons with disabilities with transportation, including transportation to and from jobs and employment services.

Eligible Recipients: There are three categories of eligible subrecipients of New Freedom funds:

- private non-profit organizations;
- state or local governmental authority; and
- operators of public transportation services, including private operators of public transportation services.

Eligible Activities: New Freedom Program funds are available for capital and operating expenses that support new public transportation services and new public transportation alternatives to assist individuals with disabilities with accessing transportation services, including transportation to and from jobs and employment support services. (Note: “New” services are defined as any service or activity that was not operational on August 10, 2005, and did not have an identified funding source as of August 10, 2005, as evidenced by inclusion in the Transportation Improvement Plan). Eligible activities include:

- New Public Transportation Services beyond the ADA. The following activities are examples of eligible projects meeting the definition of new public transportation.
 - Enhancing paratransit beyond minimum requirements of the ADA.
 - Expansion of paratransit service parameters beyond the $\frac{3}{4}$ - mile required by the ADA;
 - Expansion of current hours of operation for ADA paratransit services that are beyond those provided on the fixed-route services;
 - The incremental cost of providing same day service or making door-to-door service available to all eligible ADA paratransit riders, but not as a reasonable modification for individual riders in an otherwise curb-to-curb system;
 - Enhancement of the level of service by providing escorts or assisting riders through the door of their destination;
 - Acquisition of vehicles and equipment designed to accommodate mobility aids that exceed the dimensions and weight ratings established for common



- wheelchairs under the ADA and labor costs of aides to help drivers assist passengers with over-sized wheelchairs; and
- Installation of additional securement locations in public buses beyond ADA requirements.
- Feeder services. New “feeder” service (transit service that provides access) to commuter rail, commuter bus, intercity rail, and intercity bus stations, for which complementary paratransit service is not required under the ADA.
- Making accessibility improvements to transit and intermodal stations not designated as key stations. This may include:
 - Building an accessible path to a bus stop that is currently inaccessible, including curbcuts, sidewalks, accessible pedestrian signals or other accessible features;
 - Adding an elevator or ramps, detectable warnings, or other accessibility improvements to a non-key station that are not otherwise required under the ADA;
 - Improving signage, or wayfinding technology;
 - Implementation of other technology improvements that enhance accessibility for people with disabilities including Intelligent Transportation Systems (ITS); and
 - Travel training. New training programs for individual users on awareness, knowledge, and skills of public and alternative transportation options available in their communities.
- New Public Transportation Alternatives Beyond the ADA. The following activities are examples of projects that are eligible as new public transportation alternatives beyond the ADA under the New Freedom Program:
 - Purchasing vehicles to support new accessible taxi, ride sharing, and/or vanpooling programs.
 - Supporting the administration and expenses related to new voucher programs for transportation services offered by human service providers.
 - Supporting new volunteer driver and aide programs.
 - Supporting new mobility management and coordination programs among public transportation providers and other human service agencies providing transportation.

Funding and Matching Requirements: The Federal share of eligible capital and planning costs may not exceed 80 percent of the net cost of the activity. The Federal share of the eligible operating costs may not exceed 50 percent of the net operating costs of the activity. All of the local share must be provided from sources other than Federal DOT.



Application Process: A key element associated with the New Freedom Program under SAFETEA-LU is the requirement for projects to be derived from a coordinated plan and to be selected based on a competitive process. In the Pittsburgh urbanized area, discussions are underway to determine what entity will solicit and competitively select projects for New Freedom funding. Urbanized area applications will be evaluated using evaluation criteria developed as a part of this coordinated transportation plan. PennDOT administers the New Freedom program for small urban and rural areas. A local committee (e.g., SPC or ATWIC) will review nonurban and small urban applications for accuracy and completeness and prioritize the applications on the basis of how well projects align with the coordinated plan. Local funding requests will be forwarded to PennDOT.

Urbanized Area Formula Program (Section 5307)

Overview: Section 5307 funding is awarded directly to the designated recipient in each of the state's urbanized areas over 200,000 in population. For urbanized areas with populations between 50,000 and 199,999, FTA urban formula funds are apportioned to the Governor, who has some discretion in the amounts awarded to each urbanized area, depending on local circumstances.

Eligible Services: Funds awarded under the Urbanized Formula program must be used to fund eligible mass transportation services. Urbanized areas may use these funds to provide fixed route (bus and rail) and specialized transportation services. Specialized transportation services may include Americans with Disabilities Act (ADA) complementary paratransit services along with other general public services designed to meet the special needs of elderly (65 years of age or greater) or persons with disabilities.

Federal Matching Ratios: Urbanized Formula funds may be used for acquisition, lease or purchase of capital and, in limited circumstances, for operations. The Federal share of eligible costs is 80 percent. For transit operations, the Federal share of eligible costs is one-half of the net cost of service (total operating costs less farebox and related revenue), subject to limitations (caps) in the total amount permitted to be used for operations.

Nonurbanized Area Formula Program (Section 5311)

Overview: The goals of the Section 5311 program are to: (1) enhance the access of people in nonurbanized areas to health care, shopping, education, employment, public services, and recreation; (2) assist in the maintenance, development, improvement, and use of public transportation systems in nonurbanized areas; (3) encourage and facilitate the most efficient use of all transportation funds used to provide passenger transportation in nonurbanized areas through the coordination of programs and services; (4) assist in the development and support of intercity bus transportation; and (5) provide for the participation of private transportation providers in nonurbanized



transportation. In Pennsylvania, PennDOT's Bureau of Public Transportation is the designated state agency to administer and manage the Section 5311 program.

Eligibility Criteria: Pennsylvania municipalities and transportation organizations (created by Pennsylvania statute) that provide rural public transportation in nonurbanized areas of the Commonwealth are eligible recipients of Section 5311 funds.

Matching Ratios: Section 5311 funds may be used for acquisition, lease or purchase of capital, funding project administration, and rural transit operations. The Federal share of eligible capital costs is 80 percent. For transit operations, the Federal share of eligible costs is one-half of the net cost of service (total operating costs less farebox and related revenue).

Pennsylvania Department of Transportation Programs

The Pennsylvania Department of Transportation (PennDOT) funds a number of public and community transportation programs using revenues generated by the State Lottery and sources of revenue created by Act 44.

Act 44

In July 2007, Act 44 was passed by the Pennsylvania legislature and signed by Governor Rendell. The following is a summary of the Act 44 provisions as they pertain to Pennsylvania's public transportation systems.

Public Transportation Program Principles

- Dedicated, predictable funding
- Funding structure and distribution simple and transparent (easily understood)
- Funding linked to need and performance
- Strengthen transit accountability and Department oversight
- Promote operating and financial efficiency

Dedicated Public Transportation Trust Fund with five accounts: 1) Operating, 2) Asset Improvement 3) Programs of Statewide Significance 4) Capital Improvements, and 5) New Initiatives

- Dedicate \$392.8 million as a percentage from sales tax (4.4% of sales tax) (Revenue neutral swap for existing General Fund operating and Act 3)
- Dedicate \$80 million from the Lottery fund for the Free Transit for Senior Citizens Program in FY07-08.
- Continue to use \$125 million in state bond funding for capital projects.



- Retain PTAF funding of \$180 million (Make payments on existing debt and deposit remainder of PTAF funds into the Fund)
- Deposit Annual payments from Turnpike Commission. (in FY 07/08 funding will be \$250 million for operating and \$50 Million for Capital)
- Funding Available – \$1.08 billion (Does not include approximately \$70 million that is directed to Shared Ride Program for Senior Citizens. Including that funding would bring total to \$1.15 billion.)

Operating Account

- **Funding Distribution– \$788 million in FY 07/08**
 - **Base Funding (\$536 million)** - Systems would receive a base allocation of funding that would be distributed to them every year. The base funding allocation will be published in the PA bulletin by July 31, 2007.
 - **New Formula funds (\$252 million)** - New operating funds will be distributed by formula based on needs and performance factors.

Distribution Formula		
25%	Total passengers	Performance
10%	Senior passengers premium	Performance
35%	Total revenue vehicle hours	Need
30%	Total revenue vehicle miles	Need

- **Operating Local Match Requirements:**
 - Local Match required = 15%
 - Hold Harmless on Local Match - Systems would be expected to collect at least 5% more each year over 06/07 contribution until they reach required level.
- **Performance includes:**
 - **Criteria that systems would be evaluated on:** passengers per hour; cost per hour; revenue per hour; cost per passenger trip
- **Transition Issues**
 - **Hold Harmless:** No system would receive less operating funding than in the prior year.
 - **Growth Caps:** In first year, 50% growth cap, succeeding years 20%.
- **Oversight/Reporting**
 - Mandated reporting of standardized and verified data to support formula and performance evaluation.
 - Periodic financial and performance-based system reviews.



- System performance reported to Governor and Legislature annually.

Asset Improvement Account (\$175 Million -- \$125 Capital bond + \$50 Million new money)

- **Funding Distribution:** Develop and fund a statewide Transit Capital program based on need. Discretionary distribution based on needs in the following categories in priority order:
 - Existing debt service commitment.
 - Matching funds for federally approved projects.
 - Non – Federal Capital projects – in the following priority order.
 - Emergency/Mandatory/Safety Projects.
 - Replacement of existing assets that have exceeded their useful life.
 - Non-emergency asset replacement projects.
 - Asset expansion (not including New Starts) - Capital projects that show a ROI that improves operating efficiency and/or customer service.
 - **Capital Local Match Requirements**
 - Local contribution is required at 3 1/3 %
- **Capital Needs Development:** Develop and maintain statewide four to twelve year transit needs - based on the above categories. PennDOT will work with transit agencies and MPOs/RPOs to provide the technical project review of needs through an established respected process linked to the State Transportation Improvement Program.
- **Oversight/Reporting**
 - PennDOT to conduct regular project field reviews and technical assistance.
 - PennDOT to oversee development of statewide transit capital plan and program.
 - Annual report on transit capital investment to be provided to the Governor and legislature.

Programs of Statewide Significance Account (\$52 Million)

- Includes funding to:
 - Expand Persons with Disabilities programs to remaining 16 counties.
 - Replace funding for JARC/Welfare to Work.
 - Provide increasing support to Intercity Rail and intercity bus.
 - Establish Community Transportation Service Stabilization program and provide capital funding.
 - Fund Technical Assistance and Demonstration projects.



- Fund Rail Safety & Transit Security.
- **Distribution** –Discretionary distribution for each program based upon needs.
- **Program administration** remains consistent with existing program requirements and policies. PennDOT will continue to streamline, simplify, and improve the accountability of these programs.

New Initiatives Account (\$ 00 in FY 07/08)

- **Distribution:** Discretionary based on available funding and eligible projects.
- Priority given to match Federal New Starts funding.
- If not matching Federal New Starts then project must meet following criteria:
 - Investments in existing service areas have been optimized.
 - Analysis reveals reasonable return on investment.
 - Public benefit of the project has been identified.
 - Local dedicated funding commitment has been identified.
 - Local technical ability and capacity to manage, construct and operate project.
 - Local municipality has adopted integrated land use plan that includes the project.

Capital Improvements Account (\$66 Million)

- **Distribution:** Formula distribution based on passengers.
- No local match required

Shared-Ride Program for Senior Citizens

Overview: The Shared Program is designed to provide reduced fares and rates for senior citizens age 65 and older throughout Pennsylvania. Senior citizens (or an approved third party sponsor) are responsible for paying 15 percent of the regular fare. Revenues from the State Lottery Fund pay the remaining amounts (85 percent of the cost of the trip).

Eligibility: To be eligible for a program grant, a shared-ride transportation provider must be one of the following:

- A transportation company;
- A local transportation organization; or
- A municipality or municipal organization.



Service must be shared ride; exclusive ride services are not eligible. Individuals participating in this program must be 65 years of age and be able to supply one of the eligible proofs of age to the local Shared-Ride provider in their county.

Rural Transportation Program for Persons with Disabilities (PwD)

Overview: In 2001, the Pennsylvania Department of Transportation (PennDOT) initiated a new pilot project to assist persons with disabilities access existing shared ride services in the state. Since the initial project trial covering six grantees and eight (8) counties, the program has expanded and now includes 19 providers in 28 counties. It will be expanded statewide in the near future.

PennDOT goals for the program are:

- To provide a reduced fare transportation program for shared-ride service for persons who have a disability; are 18-64 years of age; have transportation needs in a county participating in the PwD program; and need transportation to/from a PwD project service area that is not currently served by public fixed route bus transportation and ADA complementary paratransit services.
- To facilitate mobility for persons with disabilities without compromising transportation service for other passengers.
- To ensure that the PwD Program service provider is perceived and used as a supplemental transportation service for customers with disabilities (i.e., PwD is the payer of last resort).

Persons with disabilities must be certified by the PwD program service provider as being eligible for the program. Persons must be between the ages of 18 – 64 to qualify for the program. PennDOT uses the definition of disability found in the ADA and 49 CFR part 37 to define a person with disability.

Service Providers: Service providers are existing public transit/shared ride public transportation providers in Pennsylvania outside of Allegheny and Philadelphia Counties. Providers are expected to work with a local advisory committee to manage, supervise, and monitor the quantity and quality of transportation services provided to all customers. The local advisory committee must include representation from the disability community.

Fare Subsidy and Use of PwD Funds: The PwD Program will fund up to 85% of the general public shared-ride fares that are currently in accordance with the Shared-Ride Program for Senior Citizens used by each shared ride provider.



Human Service Transportation Programs

In many areas of the country, public transportation is not the primary transit mode for many low income, elderly, or persons with disabilities. Often, human service agencies provide the most significant investment in mobility of transportation disadvantaged persons. The following is a description of the Federal programs that provide the greatest resources for community transportation. The local service providers of these programs should be involved in efforts to coordinate community transportation services.

Medicaid (Centers for Medicare and Medicaid Services, US Department of Health and Human Services)

The Medicaid program ensures medical assistance to qualified persons, such as certain low-income individuals and families, who fit into an eligibility group that is recognized by federal and state law. Medicaid is the largest program providing medical and health related services to America's poorest people. Within broad national guidelines which the Federal government provides, each of the states establishes its own eligibility standards; determines the type, amount, duration, and scope of services; sets the rate of payment for services; and administers its own program. States are mandated to provide certain categories of health care, and some chose to expand the mandated benefits as appropriate for their beneficiaries. Program clients may be asked to pay a small part of the cost (a co-payment) for some medical services.

There is now a federal mandate for states to arrange the provision of transportation when necessary for accessing health care, but each state may set their own guidelines, payment mechanisms, and participation guidelines for these transportation services. The Medicaid program provides more funding for specialized transportation than any other Federal program. Medicaid's Federal transportation expenses equal two-thirds of all of the other expenses of all other Federal transportation programs combined. States contribute substantial funds to the Medicaid program. While state funding for Medicaid transportation services is difficult to document on a national basis, the combination of state and Federal funding for Medicaid transportation is probably on the order of \$2 billion per year at this time.

In Pennsylvania, the Department of Public Welfare administers the Medicaid program known as the Medical Assistance Program. County assistance offices in each county determine eligibility for the program. Many of the transit operators and shared ride providers in Southwestern Pennsylvania provide medical assistance transportation through this program.

Temporary Assistance for Needy Families: TANF (Administration for Children and Families, US DHHS)

The Temporary Assistance for Needy Families (TANF) program provides block grants to states to help families transition from welfare to self-sufficiency. TANF funds provide cash assistance, work opportunities, and necessary support services for needy families



with children. The TANF block grant replaced the Aid to Families with Dependent Children (AFDC) program, which had provided cash welfare to poor families with children since 1935. States use TANF funds to operate their own programs. States have great latitude in expenditures and have used TANF funds in many ways, including income assistance and wage supplements, child care, education and job training, transportation, and other services designed to help families make the transition from welfare to work. In order to receive TANF funds, states must spend some of their own dollars on programs for needy families.

States may choose to spend some of their TANF funds on transportation to purchase and/or operate vehicles, as well as reimburse costs of transportation. About 2 percent of TANF dollars are currently spent on transportation. In Pennsylvania, TANF is administered by the Department of Public Welfare.

Title III Programs for the Elderly: Grants for State and Community Programs on Aging (Administration on Aging, US DHHS)

Title III of the Older Americans Act is entitled Grants for State and Community Programs on Aging. Section 311 of the Act (Title III B) authorizes funding for Supportive Services and Senior Centers. This section enables funding for a long list of home and community-based supportive services including transportation, health, education and training, welfare, information dissemination or referral services, recreation, homemaker, counseling, access services, housing, and many other services. Funds are awarded by formula to State Units on Aging (SUAs) to provide (or ensure that other agencies provide) these supportive services to older persons. SUAs and Area Agencies on Aging (AAAs) are charged with the responsibility of concentrating resources to develop and implement comprehensive and coordinated community-based systems of service for older individuals to enable them to remain in their homes and communities. Most states are subdivided into multi-county Planning and Service Areas (PSAs), each of which is served by an Area Agency on Aging (AAA). There are about 656 AAAs in the US; many of them are multi-county, not-for-profit organizations that are further subdivided into Councils on Aging (COAs).

Most AAAs use a portion of their funds for transportation services for older persons. This includes funding to purchase and/or operate vehicles as well as purchasing trips from other transportation providers. In Pennsylvania, the Pennsylvania Department of Aging primarily works with PennDOT and its AAAs to publicize the availability of the Shared Ride Program.

Vocational Rehabilitation Grants to States (Rehabilitation Services Administration, US Department of Education)

The Rehabilitation Services Administration (RSA) oversees six formula and discretionary grant programs that help individuals with physical or mental disabilities to obtain employment and live more independently through the provision of such supports as counseling, medical and psychological services, job training, and other individualized



services, such as travel and related expenses. RSA's major Title I formula grant program provides funds to state vocational rehabilitation (VR) agencies to provide employment-related services for individuals with disabilities, giving priority to individuals who are significantly disabled.

Transportation services that enable an individual to participate in a VR service are an allowable expense for VR programs. Allowable expenditures include costs of purchased services from public and private vendors. (See Policy Directive RSA-PD-07-01, October 5, 2006.) School transportation, transportation support services including travel training and service coordination, and private vehicle purchase are among the allowable expenses provided through funding in the Title I formula grant program.

In Pennsylvania, the Office of Vocational Rehabilitation at the Department of Labor and Industry oversees the RSA programs.

Veterans Medical Care Benefits (Department of Veterans Affairs)

Veterans of military service may be eligible for a wide range of hospital-based services, medications, and outpatient medical services. The Veterans Health Administration (VHA) is the operating unit of the Department of Veterans Affairs (VA) that acts as a direct provider of primary care, specialized care, and related medical and social support services to veterans through the VA health care system.

VA will reimburse eligible veterans for some transportation to covered medical care. Eligibility is determined by factors such as extensive service-connected disabilities, travel for treatment of a service-connected condition, veterans who receive a VA pension, veterans traveling for scheduled compensation or pension examinations, veterans whose income does not exceed the maximum annual VA pension, and veterans whose medical condition requires special mode of transportation, if they are unable to defray the costs and travel is pre-authorized. Advance authorization is not required in an emergency if a delay would be hazardous to life or health. Individual veterans may be reimbursed for their transportation at very modest per mile rates for travel.

In addition to reimbursing individual veterans, many VA Medical Centers have travel offices that may offer their own transportation services, may contract directly with transportation providers for some trips to VA Medical Centers, or may work with volunteer networks to provide transportation for veterans seeking health care. Some VA Medical Centers have contracts (sometimes for multiple years) to transport VA clients. Larger medical centers may request hundreds of trips every day from private operators. Trip orders come from the VA travel office, not the rider. Typical contracts specify a base fare for each trip and a mileage charge but some contracts pay strictly on a mileage basis.

The VA is requesting legislative changes that would increase its ability to provide veterans with home and community based care rather than nursing home care. If these



changes are enacted, they could be expected to increase the level of demand for transportation services among veterans.