

Transportation Challenges of Rural America

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Mr. Chairman and Members of the Subcommittee:

I want to express my appreciation for your invitation to be here today to discuss some of the important issues concerning transportation in rural areas of our country. Our organization, the Community Transportation Association of America was originally founded by those providing and advocating for new mobility strategies — not just within rural communities but also in connecting these communities to each other and the broader urbanized areas that lie over the horizon.

Connecting Rural America

Our advocacy mission as an organization reflects the broad and sometimes complicated series of federal activities that support rural transit. Our work in recent years has included efforts to expand rural transit investment in our national transportation programs currently funded under SAFETEA-LU as well as by its predecessors; maintaining the transportation benefits currently provided by the Medicaid program; seeking additional resources for non-emergency medical transportation for seniors in Medicare; supporting an expanded inter-city bus and passenger rail network; working to develop innovative demonstrations to enhance rural transportation and connectivity; and special activities conducted within our public private financial services effort, Community Transportation Development Lending Services Inc., to bring private capital to the rural transportation effort — especially in badly needed facilities and other capital expenditures. These efforts in helping to expand rural transportation are a reflection of

the multi-faceted approach that requires the involvement of government at all levels, the private sector, and those who reside in rural communities.

Although it is sometimes easier to separate communities by size and distance, it is important to remember that there is no way to separate the future of rural America from the rest of our nation, particularly as it relates to mobility. The inter-relationships between these areas is always vital — but they are especially important today because of the terrific pressure on our transportation and mobility system created by the current economic crisis, the ongoing problems in our energy area, the changing ways in which health care is being delivered, and an aging population that requires additional needs to remain in the places they call home. Each of these situations — taken alone — represent a significant challenge but combined they create a crisis that requires leadership and investment that our federal government can provide. For the people living in rural America the stakes are high, and without mobility they risk losing access to education, employment, basic health services and other opportunities that smaller communities can no longer provide.

There are tools available to Congress to address this situation and my testimony is an attempt to highlight those that are the most significant. The most important of these tools include opportunities that will soon begin to make their way through the legislative process concerning the reauthorization of our highway and transit legislation, health care initiatives, energy legislation, and our continued legislative response to the economic crisis. Since no single issue is responsible for the mobility problems we face, no single piece of legislation will solve the rural mobility crisis. That being said, the most important opportunity to address the situation lies in the reauthorization of SAFETEA-

LU. This legislation is the cornerstone of our national mobility strategy and is both the most important piece of policy making that affects existing mobility for rural Americans, as well as the premier opportunity to create new ways of developing services that are needed.

In preparation for the reauthorization of our nation's surface transportation programs, our Association has released its own blueprint to improve our ability to provide mobility for all Americans. Our concept for the nation's mobility future entitled, *A New Surface Mobility Vision For America*, reflects work and discussion of over two years of reviewing our current transportation situation and creating an opportunity for input from our members, riders, service providers, transportation advocates, and officials and other representatives in every state. I have included a complete copy of this report in my written testimony.

Our Surface Mobility Vision addresses many areas of need, and includes ideas and solutions for rural communities. First, our report recognizes the important strides in meeting the demand for rural service that have been met by the expansion of the rural public transportation programs in SAFETEA-LU. These rural initiatives — originally created as a demonstration in the Carter Administration — have provided important access and services in rural areas that are often taken for granted in larger communities.

Rural transit in our country has taken the traditional concepts of public transportation and service and adapted them to the special role they fill in small towns and rural areas. Smaller vehicles, flexible services, low cost, and a high commitment to customer service are all hallmarks of the rural transportation programs serving our nation

today. Federal funds available for rural transit flow through our states and help create a constructive partnership between federal, state, and local officials that is also a unique factor in the successes of our current rural transit programs. Because of the success of the rural transit program, these services play important roles in creating access for millions of our fellow citizens — especially our seniors and those with limited financial resources. Our proposals in our *New Surface Mobility Vision* call for increasing these important partnerships and services, building on the successes we currently enjoy. Enhancing these services will improve rural mobility, but alone they cannot solve the problems created when our rural communities are disconnected from each other as well as from the rest of our country. Our plan calls for a new series of steps to connect communities by building a new expanded effort we call a new era of connectivity.

Surface transportation between communities by rail or bus has proved to be extremely cost effective and successful in reducing emissions and improving the environment. For lower income individuals without their own personal transportation, such efforts are not just a choice but also a necessity. Our current difficulties lie in developing the surface transportation connections that link rural and smaller communities together. Historically, this function was fulfilled first by state lines that went from location to location with stops in smaller places along the way. This early connectivity was taken over by an expanding rail system that linked all parts of our country, with stops along the way in communities great and small. The end of railroad passenger services created a tremendous void that was taken up, to a lesser degree, by intercity bus carriers who have seen a tremendous reduction in service in recent years and a dramatically altered market.

We believe that the combination of events created by the energy situation as well as the environmental concerns we face require a new effort to invigorate the surface connections of communities that are both financially reasonable and environmentally friendly. The technology to create a network linking rural communities is available today and we believe that the off-the-shelf technology of our current bus and rail products can give our country a reasonable way to enhance its connectivity.

Our proposal calls for the creation of a united federal mobility effort blending all surface transportation into one agency — the Federal Surface Mobility Administration within the U.S. Department of Transportation. Having rural transit, urban transit, and intercity services in one agency would facilitate the national connectivity and intermodalism we think is vital. It also helps design similar programmatic efforts to create a commonality of missions focused on getting people to their destination and back again in the most convenient way possible. Based on the experience of the current intercity program within the rural transit program funded by SAFETEA-LU, we also have an effective model of how we can use the existing intercity service within the private sector to help us complete our mission. We think of larger urbanized areas as the hub of a wheel where employment opportunities, health care, and education, are more readily available. The links to those hubs must be addressed in this reauthorization.

Special Challenges for Seniors, Medicaid and Veterans

No more is this increased regionalism readily seen than in the area of health care services and delivery. National health care trends clearly point to outpatient medicine as

the important way we address the future health care needs of our citizens, especially the elderly.

We need no additional studies to remind us that procedures that were once common inpatient services requiring lengthy hospital stays are now done on a daily outpatient basis. Other services like outpatient dialysis, physical therapy, outpatient chemotherapy, are also reminders of the increased potential of reducing costs as part of our health care strategy. However, all the outpatient services are useless without access and rural transportation has become the connection for millions to these services — especially to our senior citizens and those in our health care programs assisted by Medicaid. We must continue to make mobility for those who need it a vital part of our outpatient health care efforts. To do that we must maintain the requirements for outpatient non-emergency medical transportation for those enrolled in the Medicaid program with special effort to protect those in rural America. The termination of these benefits, as threatened in the last administration, threaten the very lives of recipients but falls heaviest on those in rural communities who must travel further to receive their outpatient services. Since many of them lack their own transportation, or are too weak to manage their own transportation, the lives of these people hang in the balance. We are deeply grateful to you, Mr. Chairman, for your advocacy in this area particularly in your efforts to prevent the dis-establishment of this important effort in the Medicaid program. Rural America needs the benefits provided by your legislation —HR 7122 as introduced last year — and we need it today while the regulations affecting this service are being re-considered.

But it is also true that if our seniors on Medicaid need these services, what of our seniors with physical limitations whose primary medical care is provided by Medicare? There is no non-emergency transportation benefit in Medicare, but we need one — especially as this population continues to expand. The cost of non-emergency transportation in rural areas is also a bargain when measured against inpatient, emergency or institutional cost. Any plan to reform Medicare must include reforming its delivery, and outpatient options with a good transportation benefit will bring us both the financial benefits as well as the social and personal benefits that are created when a person gets to stay in their own home. Sharing these costs with community based services and those funded through the various transportation programs are the off-the-shelf solutions we have before us. In our reauthorization proposal we seek to enhance these efforts by transferring funds into a new Surface Mobility Fund that will be based on the approach currently utilized to provide public transit in rural areas. We believe that using this approach adds to the existing network as opposed to creating entirely new structures.

In a very similar way we have been looking at the special needs for outpatient rehabilitation and services to others in our country, like our veterans and their families. As more complicated therapies are administered through community based service and clinics, more mobility must be part of any successful treatment plan or options. We believe that the need for greater kinds of lift-equipped vehicles or accessible taxi-like vehicles means that these services must also be planned and developed together as part of a seamless way that people receive services. Our plans call for a greater investment in planning for these activities with efforts that focus on the most in need and the most in

need of a dependable and reliable system that links people to care — which is sometimes further from home than it has been in the past.

As you may know, 40 percent of our veterans live in rural communities. These veterans are at a distinct disadvantage due to a lack of reliable, systematic access to healthcare and other essential services. A 2004 study in the *Journal of Public Health* found that veterans living in rural America are in poorer health than those living in urban areas — which is not surprising when you consider the current shortcomings in veteran's mobility infrastructure.

Returning servicemen and their families must have expanded, more consistent access to their medical facilities. This is particularly the case in small cities and rural communities. The nature of health care services administered through the U.S. Department of Veterans Affairs (VA) is changing toward outpatient care services just as it is elsewhere, and future demand for transportation assistance for veterans and their families will increase.

Right now the veteran population is diversifying and is made up of multiple age groups from World War II veterans, Vietnam-era veterans entering age 60 and above, and younger Gulf War and Iraq/Afghanistan veterans who are likely to be disabled and need more long-term care. Veterans young and old may need different services, but all will need transportation to access those services.

Many of CTAA's member organizations have witnessed first-hand that the existing transportation infrastructure dedicated to serving veterans is not adequate to meet the needs of the current and growing veteran population. The VA estimates there are 25

million veterans today. Too often our existing veteran service networks or state resources are stretched thin and veterans and their families are left without adequate travel options.

A new VETLINKS transportation program would help supplement existing efforts at the local level, and build upon successful models to address the mobility needs of veterans in more remote rural areas. About 8 million veterans are enrolled in the VA health care system according to the VA, so there is a built-in customer base that can benefit from coordinated transportation options right away. Creating regional transportation brokerage systems will ensure that everyone who needs access to care has access to care – in urban, suburban *and* rural communities.

A couple of years ago Congress enacted a program called HUD-VASH (Housing and Urban Development – Veterans Affairs Supportive Housing) to address the needs of homeless veterans. These Section 8 housing choice vouchers allow veterans to live in communities within the service area of their VA medical facility.

With your attention and assistance, we can build on this collaborative model to ensure that veterans receive transportation links; not only to and from their housing to medical care, but transportation links to job training, places of employment and other services. A VETLINKS program can be modeled after the successful JOBLINKS program, particularly now that the stimulus bill provides resources for workforce training and green job training for underserved populations including veterans. Now more than ever, veterans need and deserve a way to access services and employment opportunities.

If these mobility difficulties exist in programs that are targeted, we know they exist for others who live outside targeted benefits. We hope that Congress will address

the transportation issue for any national health care effort as well. We do not want to create a situation like the one we originally had in Medicaid where people had service but lacked access to it because they didn't have the mobility required to meet their needs. We urge the Committee and the Congress to make sure the mobility of patients — whether Medicaid, Medicare or veterans, and especially those in rural America — will be considered in any health care reform proposals or plans.

The JOBLINKS Experience

Employment opportunities have become an increasing challenge for rural residents. That's why the linkage efforts we seek are so important. The ideas from our plan that we propose to use as part of the foundation for connecting rural America as well as expanding existing services are based not just upon the collective experiences of the last decade, they are also products of important demonstrations that we have done through a number of national efforts — the most important of these being our JOBLINKS initiative.

JOBLINKS was created to test the ideas of service delivery for smaller communities and rural areas. Former President Clinton once called JOBLINKS an important step in providing new ways to provide employment transportation. Throughout its nearly two decades, JOBLINKS has been on the cutting edge of unique adaptations of public transportation, especially programs designed to help people in rural areas go to work, or maintain their employment when traditional public transportation is unavailable

or they cannot afford their own vehicles. Three of our most successful efforts have been in the Chairman's district.

One, the Community Transportation Service (CTS) in Athol, Massachusetts, developed from a small, pilot van project to a combination of fixed-route and demand service providing employment and health care transportation. The service has been very successful and is currently based in a historic railroad facility that might have been lost to the community without the transportation effort. CTS has been a progressive and important transportation service to the people of Athol and the surrounding community. Over the last five years, ridership has grown from 32,000 trips per year to 55,000 trips last year. This represents a 75 percent increase in service at a time that their annual allocation of operating funding has remained the same. The average costs for a CTS trip is \$12.72, the national average for public transit bus or paratransit based on the latest National Transit Database numbers is \$23.90. CTS's primary ridership is employment transportation at 48 percent, followed by medical transportation at 16 percent, with the balance devoted to general service trips. CTS enjoys a very good relationship within the community and with all those it serves.

A second service, Berkshire Rides, is also a unique effort that provides both coordination with local social service agencies to provide needed transportation while also providing service to employment through existing community based taxi companies that have managed to stabilize their own businesses in difficult economic times by working with this transportation project. Berkshire Rides has had an excellent record of success much like Athol. Over the last five years, ridership has grown to 51,000 trips per year from 28,000. This represents a 46 percent increase in overall ridership while

operating funding has remained the same. Of the total trips provided, 78 percent have been for employment purposes. The average cost per service is \$13.83 a trip, which also compares most favorably with the national average of \$23.90.

JOBLINKS was also instrumental in developing and financing the G Link Service, an example of the need to link communities together in a way that makes affordable transportation possible for those who live in one rural community but must travel greater distances to work in another. These demonstrations are important ways our members and we have worked cooperatively to develop tools to meet the mobility challenges facing rural America. I have incorporated information relative to these activities into the written material I have submitted to the committee with this testimony and I want again to express our thanks to the Chairman for helping to make these efforts possible. The G Link has been providing funding to MART for use in conjunction with FRTA in maintaining the existing services. Toward that end, we used JARC funds to respond to their first year's need for help from the JOBLINKS program through last year. Overall ridership for the last year has risen from 30,000 trips five years ago to 42,000 trips last year. This represents a 42 percent increase in ridership. The program has now been financed through state and transit authority assistance.

In Conclusion

In closing I recognize that we are faced with a host of challenges that have strained our resources and ability to respond to the needs of our country. Our transportation programs that help move people are linked to many of the larger challenges we face in energy, health care, employment, and economic development.

Investments in transportation pay dividends that can be used to help us better manage our assets and resources to meet the other challenges. The history of our efforts in rural transit also remind us that success, although hard and difficult, can be accomplished when we come together to address important needs and concerns. The fundamental partnership of the federal government, the states, local citizens, and people in communities has worked well for rural transit. Now is the time to expand and connect that system so that it will be there for us to create the successes in the future we will all need.

Thank you and I would be pleased to respond to any questions.