

A NEW YORK STATE SURVEY: THE OPERATING EXPENSES OF VEHICLES FOR THE ELDERLY JANUARY 2006

Executive Summary

Transportation and transportation related issues have been one of the most pressing societal and public policy issues that senior citizens and community provider's face in New York State. Transportation is the key to maintaining ones independence and accessing a variety of community programs and services and remaining involved in community activities. Access to transportation is something many of us take for granted.

Transportation for older New Yorkers is fragmented, is in high demand, and is often times inaccessible for multiple reasons. Yet access to transportation is vital to living. Transportation services for seniors include rides to or for:

Meal deliveries	Adult Day Programs	Senior Center	Medical Appts.
Dialysis	Social Security Office	Library	Cemetery Visits
Voting	Grocery Shopping	Pharmacy	Post Office
Movies	Visiting Friends	Banking	Other recreation

The 59 designated area agencies on aging, were sent surveys asking to document their transportation programs and their needs. One hundred and forty seven programs responded representing 40 counties and 2 Indian reservations. The program respondents are transporting over **150,000** seniors a year and providing approximately **1.2 million one-way trips** per year. Total operating costs for one vehicle ranged from approximately \$7,000 to \$54,000 per year. Increases in costs means a reduction in rides.

Comparing data from a 2001 survey to the 2006 survey showed how cost per vehicle has grown. ***Driver's salary has increased \$10,500 or 70%, insurance has increased \$2,332 or 97%, fuel has increased \$1,754 or 75% and maintenance has increased \$876 or 52%.*** Besides these factors service providers spend money on many other transportation needs such as:

Parking	Inspection	AAA	Tolls	Tickets
Cleaning	Registration	Oil Changes	Uniforms	Cell Phone
Administrative costs				

The aging network's ability to provide these transportation services has been hampered significantly over the years due to the rising costs of insurance, maintenance, fuel and driver's salaries while at the same time, there has never been state support for the operation of these vital community services. While many aging providers may be able to purchase a vehicle through the generosity of elected officials or from federal funding, the cost of operating the vehicle is substantial and there is no dedicated funding available to cover those expenses. The high operating costs have resulted in vehicles standing unused.

Survey respondents recommend:

- Create a dedicated funding stream for transportation operating expenses through the CSE Program
- Create a dedicated funding stream to help pay for the 20% match in Federal 5310 program
- Initiate a State study on transportation needs and operating expenses
- Explore the feasibility of a group insurance program for non-profit, community-based senior services providers

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This survey was conducted by the Office of Assemblyman Steven Englebright and with the help of the Council of Senior Centers and Services of New York City.

The report was drafted by Sonya Meaders and Christina Coppola in the Office of Assemblyman Steve Englebright, Chair of the Committee on Aging.

TRANSPORTATION OPERATING EXPENSES A SURVEY

JANUARY 2006

Background

Transportation and transportation related issues continue to be one of the most pressing societal and public policy issues that senior citizens and community provider's face in New York State. Seniors cannot receive the services they need to remain independent without transportation and service providers cannot serve seniors if they cannot reach their place of business.

The use of vehicles is the underpinning for many of the programs serving older adults in communities throughout New York State. Transportation services provided included: meal deliveries; transportation to and from senior centers and adult day programs; recreation trips; medical appointments; pharmacy; dialysis; bank, post office, Social Security, library, cemetery visits; voting; and grocery shopping. A van is crucial in preventing unnecessary isolation of the elderly. An operational van can mean the difference between a homebound elderly person receiving a meal or not, a caregiver being able to ensure that their loved one attends day care, or an individual being able to make a doctor's or dentist's appointment.

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This statewide survey, conducted with the help of the Council of Senior Centers and Services of New York City (CSCSNYC) revealed valiant efforts by aging providers to cobble together funding from a multitude of sources to cover the significant costs of operating transportation. As the state of New York shifts its emphasis on the long-term arena on providing more affordable services in the community, transportation will continue to top the list of areas that need to be invested in so that seniors can actually access the services that help them remain independent and off of the Medicaid program.

Below is a summary of the survey results. These results are the most comprehensive to date of the non-medical aging services networks transportation system, and crisis.

The Respondents

A survey was sent to each of the 59 designated area agencies on aging, and based on their feedback, was subsequently sent to their subcontractors. There were 147 respondents representing 40 counties including New York City and two aging programs on Indian reservations. **This indicated a 68% rate of return.** These counties include:

Albany,	Broome,	Cattaraugus,	Cayuga,	Chautauqua,
Chemung,	Clinton,	Delaware,	Dutchess,	Erie,
Essex,	Franklin,	Fulton,	Genesee,	Herkimer,

Madison, Monroe, Montgomery, Niagara, Ontario,
 Orange, Oswego, Otsego, Putnam, Rockland,
 Saratoga, Schenectady, Schoharie, Steuben, Suffolk,
 Sullivan, Tioga, Tompkins, Ulster, Washington,
 Wayne, Westchester, Wyoming, Yates.

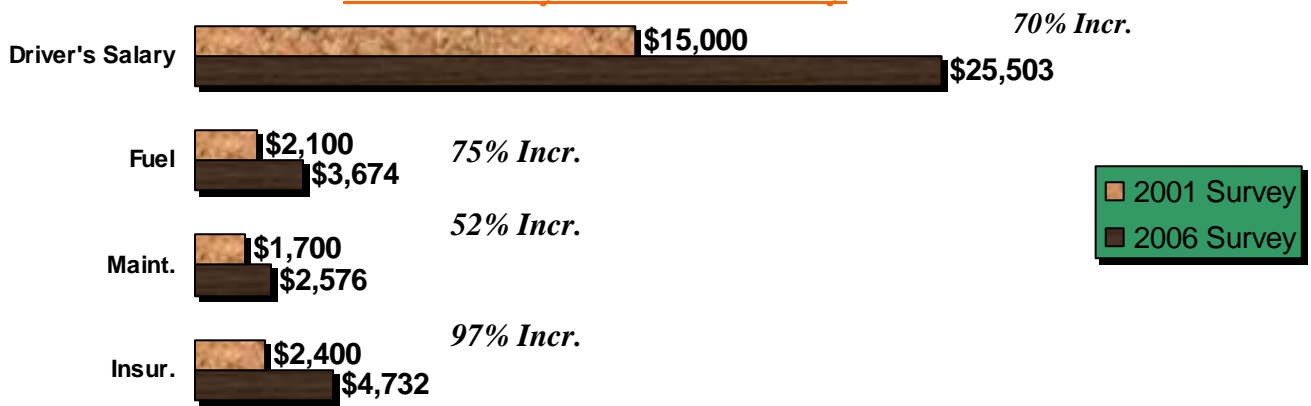
The two Indian reservations are St.Regis Mohawk and Seneca Nation of Indians. These programs range from multi-service senior centers, to meals-on-wheels providers, to adult day programs, to nutrition sites. **Together, these programs are transporting over 150,000 seniors a year; providing approximately 1.2 million one-way trips to seniors a year.**

The Cost

The survey asked respondents to estimate the yearly costs for one vehicle in the following categories: insurance; maintenance; fuel; salary; and other expenses, such as parking. Respondents answered these questions only if their agency was responsible for paying the expenses.

The total operating expenses for one vehicle ranged from approximately \$7,000 to \$54,000 per year. Providers at the low end of the range were able to lower costs by reducing or eliminating expenses in one category. For example, programs reduced maintenance costs by having local businesses donate parts and/or labor. Similarly, the insurance costs for some programs were covered by a town’s umbrella policy, while other providers eliminated salary costs by using volunteers for drivers. It should be noted, however, that many programs found that using volunteers as drivers substantially increased the cost of insurance.

**Cost per Vehicle for New York State
 2006 Survey vs. 2001 Survey**



	Insur.	Maint.	Fuel	Driver's Salary
2001 Survey	\$2,400	\$1,700	\$2,100	\$15,000
2006 Survey	\$4,732	\$2,576	\$3,674	\$25,503
Difference	\$2,332	\$876	\$1,574	\$10,500
% Increase	97%	52%	75%	70%

The difference from 2001 to 2006 shows how cost per vehicle has grown. Driver’s salary has increased by \$10,500 or 70% followed by insurance costs \$2,332 or 97% then fuel \$1,574 or

75% and maintenance \$876 or 52%. On average, providers covered each cost of operating their vehicles. Drivers' salaries accounted for the most expensive cost, averaging approximately \$24,364 a year, followed by insurance costs \$4,839 fuel \$3,652 and maintenance \$2,608.

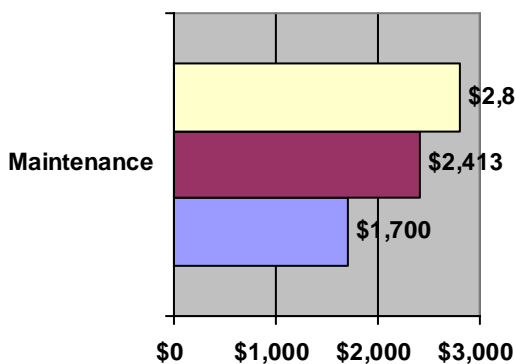
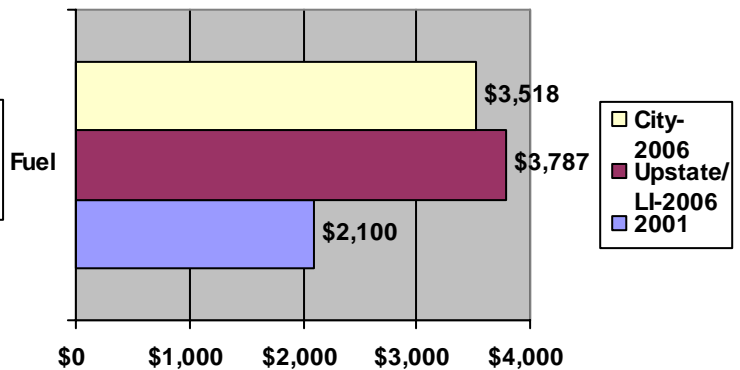
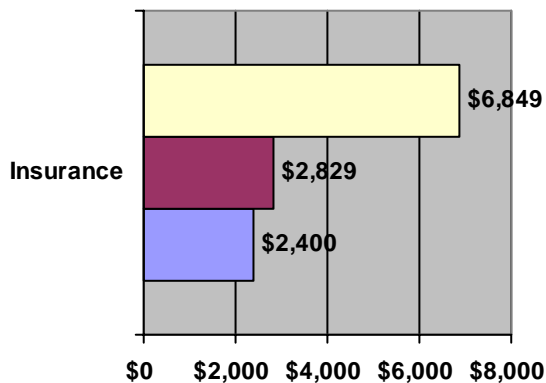
NEW YORK CITY DATA

	Insurance	Maintenance	Fuel	Driver's Salary
Average	\$6,849	\$2,803	\$3,518	\$24,081
High	\$33,625	\$15,00	\$9,543	\$46,975
Low	\$1,300	\$500	\$300	\$4,500

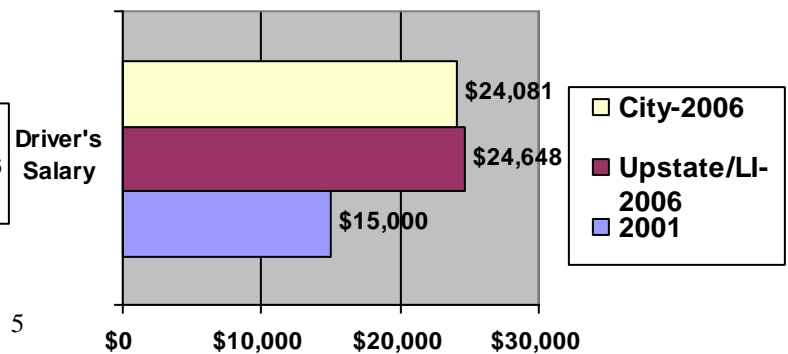
UPSTATE AND LONG ISLAND DATA

	Insurance	Maintenance	Fuel	Driver's Salary
Average	\$2,829	\$2,413	\$3,787	\$24,648
High	\$12,00	\$19,740	\$12,888	\$80,512
Low	\$112	\$100	\$850	\$5,300

The growth of the City and Upstate costs per vehicle in 2006 Survey compared to 2001 Survey



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Funding of Operating Expenses

Providers pay for the operating and leasing expenses using a multitude of funding sources. Several providers fund their transportation programs 100% through fundraising. Other providers pull together as many as four or five different funding sources to cover operating expenses.

Funding sources include:

- private grants
- fundraising
- senior contributions
- member items

Providers also use state, local and federal money by siphoning off a portion of services funding received by the government to cover some transportation expenses. For example, some funding provided by the State for meals could be used to provide transportation. This funding scheme, however, results in less money for the services.

Barriers to Providing Transportation

Over 60% of the respondents indicated at least one barrier in providing transportation services to seniors.

Barriers to transportation cited:

- demand outpaced availability of operating vehicles
- insufficient funds to purchase vehicles needed and/or operate vehicles
- vehicles left standing due to lack of operating funds

Providers specifically commented on the difficulty in paying drivers a sufficient salary, resulting in high turnover of drivers and a need for an increased number of drivers and hours. Several providers noted that seniors do not attend their center or programs because of a lack of transportation services.

As some providers stated:

“Increase cost in fuel and maintenance expense is putting a strain in transportation budget.”

“Fuel prices are astronomical! So far we are approx. 3000 over budget in this area. It is threatening the health of our transportation program.”

“With only one medical van we must frequently refer seniors to other services.”

“It is difficult to attract and retain driver’s due to low salary and lack of pension. It is also difficult to attract drivers because it demands that candidate’s posse’s good judgment, common sense, quick response time, an ability to handle serious emergencies, remain steadfastly focused on safety issues and safe driving during work hours.”

“We are unable to meet transportation needs of seniors in several areas. The seniors that we pick up M-F often are shut in over the weekends unable to get to their churches.”

Conclusion

Transportation is a critical component in providing services to New York’s seniors no matter where they live. The need for transportation services will only continue to increase as the aging population grows each year. While many aging providers can purchase a vehicle,¹ the operating expenses often prohibit a program from offering the full extent and array of transportation services needed. Government must step forward and assist in funding the operating expenses of vehicles.

Recommendations

- Dedicated funding stream for transportation operating expenses
- Dedicated funding stream to help pay for 20% match in Fed 5310 program
- State and Federal study on transportation needs and operating expenses
- Exploration of group insurance program for non-profit, community-based senior services providers

¹ See Addendum

Addendum

Federal Funding to Purchase Vehicles

Providers are able to purchase vehicles often through the generosity of elected officials or one-time capital appropriations. There even exists a federal funding stream specifically for the purchase of vehicles. In contrast, there is no specific funding stream to cover the costs of operating the vehicles. Below is a summary of the federal program.

Section 5310 Funding

Pursuant to Section 5310 of the Federal Transportation Act, the New York State Department of Transportation (DOT) administers a federal funding stream for the purchase of vehicles for transporting the elderly and disabled. This funding is for vehicle purchase only, and does not provide any funding to cover operating expenses.

The funding is distributed as a grant through an annual Request for Proposal process to private, non-profit agencies. Grants are for 80% of the cost for a new bus/van with a 20% match by the programs. Programs are notified of their award in the fall.

According to DOT, for the latest round of applicants, 85 programs are to receive funding out of 105 submissions. This equals approximately \$5.4 million in federal funding to purchase vehicles in New York State. Since 1995, the Section 5310 program has resulted in the purchase of more than 800 vehicles in service statewide.