Massachusetts Bay Transportation Authority

The RIDE
Non-Dedicated Service Provider Update

Fiscal and Management Control Board

November 9, 2020
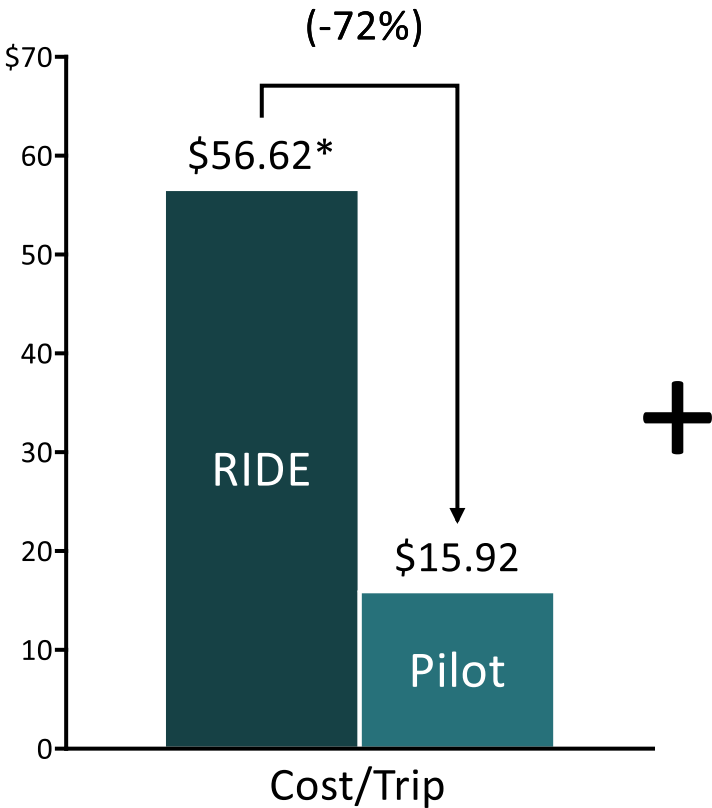
Ben Schutzman, Chief of Paratransit Services

The RIDE's goal is to increase mobility while controlling costs

- The RIDE has been focused for multiple years on a holistic transformation effort to increase customer **mobility** and **customer experience**, while reducing **per-unit costs**

- The RIDE has been executing on a **four-pronged strategy** to achieve this goal:
    - ✓ Centralize all reservations, scheduling, and dispatching activities (2018)
    - ✓ Create a centralized service area with enhanced Dedicated Service Provider (DSP) performance metrics (June 2020)
    - ✓ Implement a new modern software management system with new customer amenities (August 2020)
    - ❑ Utilize Non-Dedicated Service Providers (NDSPs) to increase customer service options (Initial Pilot with Uber, Lyft, and Curb: 2016 | Revamped Program: Winter 2020)

- Effectively **executing this strategy is more important than ever** in the current environment of lower demand, tighter operating budgets, and an uncertain future

- By **controlling the per-unit cost of service**, The RIDE can **invest in service**
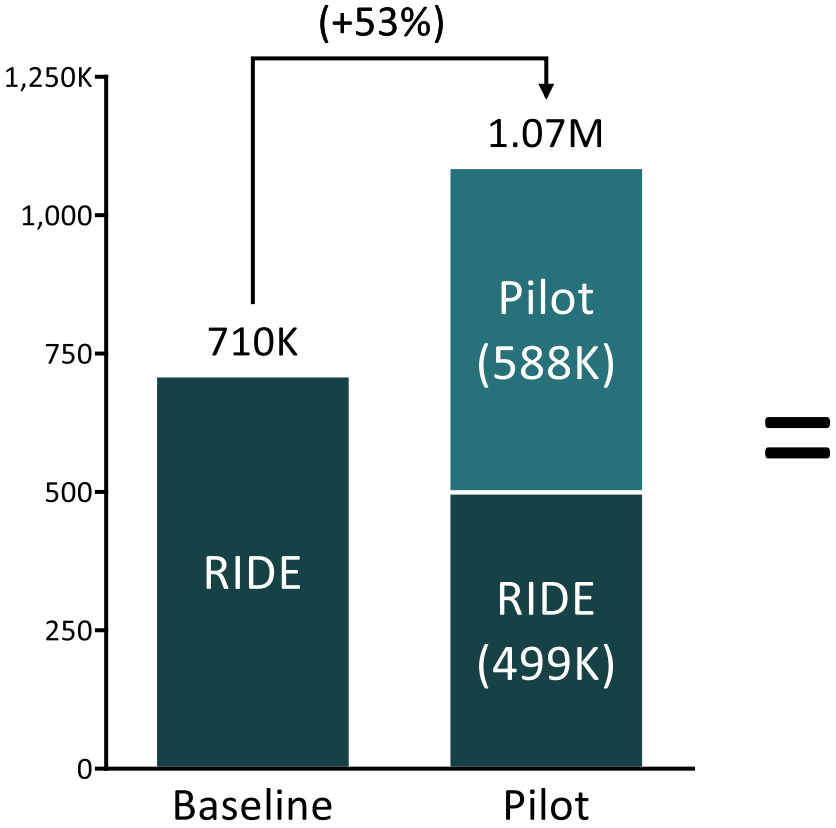
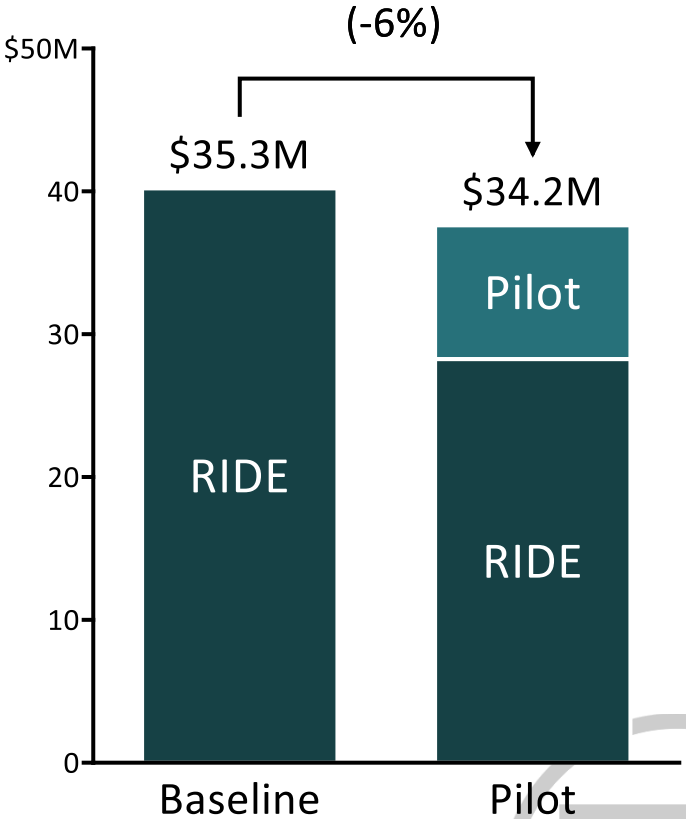# Current NDSP use delivers lower costs and increased mobility

Weighted Average Variable Per-Trip Cost

(-72%)

$56.62*

RIDE

$15.92

Pilot

Cost/Trip

+

Total Trips

(+53%)

1.07M

710K

Pilot (588K)

RIDE

RIDE (499K)

Baseline   Pilot

=

Total Pilot Member-Related Costs

(-6%)

$35.3M

$34.2M

Pilot

RIDE

RIDE

Baseline   Pilot

* Weighted average across all years of pilot, pre-COVD (through February 2020).
   RIDE cost per trip uses variable cost and fuel cost of dedicated service providers (no fixed cost).

The RIDE has new uses of Non Dedicated Service Providers

Previous NDSP Usage

On-Demand Paratransit Pilot

Provider Options Pilot

- Two separate, expiring pilots with TNCs (Uber/Lyft/Curb) providing customers alternate choices while providing savings to MBTA
- Provides exceptional customer service and increased to customer mobility, but produce limited savings
- Approximately 4,500 On-Demand and 1,100 POP customer signups, over 500,000 trips taken
- Currently make up 14% of overall RIDE trips taken

Future NDSP Usage

Opt-In Pilot
Single combined pilot for both on-demand and call center TNC trips

Standard Service
New supplement to DSPs

- Replacement to the previous customer-facing pilots, combining both together to offer a single holistic choice for customers
- Non-ADA service that retains the most popular aspects of existing pilots while expanding RIDE control over cost saving opportunities

Today's Focus

- Added operational flexibility by using NDSPs to provide full ADA paratransit service accessible to all RIDE customers

Announcing The RIDE Flex, the RIDE's new pilot

- Both current TNC pilots will be combined as a single customer choice where customers can opt-in to:

  - Receive **monthly subsidized trips** from the TNC of their choice, and

  - Allow **TRAC to dispatch vehicles from TNCs** for any trips booked through the call center

- The RIDE Flex will ensure continued benefits for customers and the MBTA:

  - Maintain the key customer benefit of **on-demand service**

  - Address #1 customer concern by **reevaluating trip allocations** for existing pilot participants

  - Help **control the cost of The RIDE** by converting more trips to a lower cost alternative (73% less per trip) and increasing the efficiency of the RIDE's dedicated providers

As a customer for The RIDE Flex, what can I expect?

	Current Pilots	The RIDE Flex
Sign-Up Process	▪ Must sign up for both pilots individually	▪ Single pilot to simplify for customer ▪ Unified sign-up channel for all providers
Subsidy	▪ Up to $40 per trip	▪ Up to $40 per trip
Co-Pay	▪ $2	▪ $3 (still less than the cost of The RIDE)
Introductory Co-Pay	▪ Not available	▪ New $2 rate for the first six months
Trip Allocations	▪ Allocations based on usage when signing up, never reassessed	▪ To be reassessed periodically to account for usage changes
Trip Booking	▪ Customer must book on demand trips via smartphone app or by calling Lyft	▪ Expanded access to non-smartphone booking for on demand trips

New/Improved
Customer Benefit

The RIDE Flex delivers increased customer benefits to encourage more usage

Pilot launch will be tracked via an implementation checklist

☐ *IN PROGRESS* **Finalize negotiations and implementation timelines** with successful bidders (mid-November)

☐ **Design and implement updated processes and training** for TRAC (November/December)

☐ **Develop API integration** between bidders and Routematch (November/December)

☐ **Communicate to all customers / stakeholders** via new branding and marketing campaign, including opting in existing pilot customers (December)

☐ **Monitor KPIs** (Ongoing – Monthly)

☐ **Adjust pilot** as needed (trip allocations, subsidy, introductory rates, etc.) to hit KPIs (Ongoing – Quarterly)

The RIDE Flex

Appendix

The RIDE will track pilot performance monthly

- The RIDE is aiming for 20% customer signup by the end of FY22
  - Monitor monthly sign-up and usage to ensure progress toward this goal
  - Strategically utilize marketing and branding collateral as well as customer outreach to ensure targets are reached
  - RIDE will be able to utilize levers (changes to copays, trip allocations, shared trips) to further improve signups and trip activity as necessary
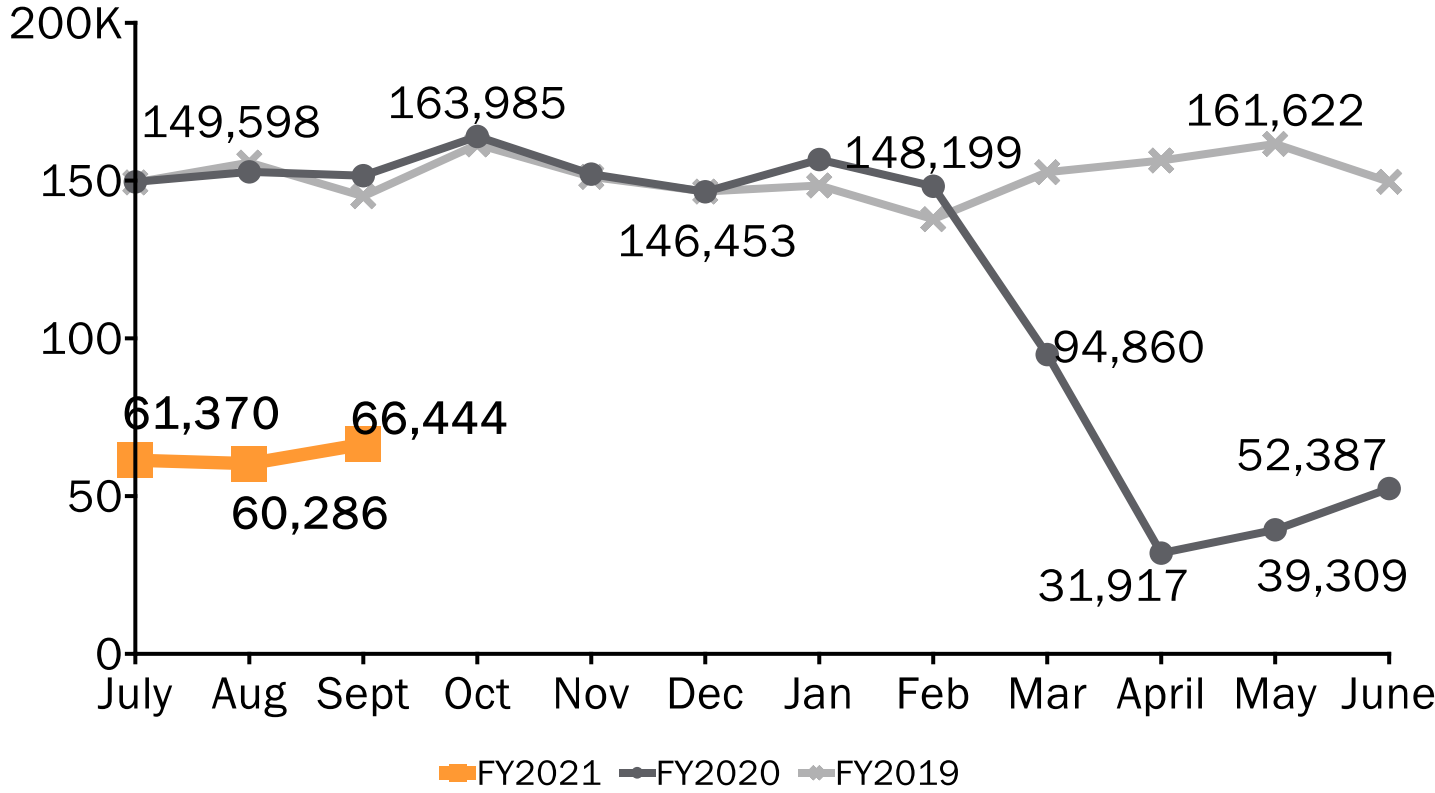
	Current	FY21		FY22				FY23		
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Signup Rate	13%	8%	12%	15%	17%	19%	20%	20%	21%	21%
Trips/Customer /Month	6.5	3.4	3.8	4.8	7.6	8	8.2	8.2	8.6	8.8

- The RIDE will also be targeting improvement to complaint rates and OTP

Customers continue to rely on The RIDE during COVID

One-Way Registered Passenger Trips (Both Dedicated and On-Demand)

Legend: FY2021, FY2020, FY2019

Data points labeled:
- 149,598
- 163,985
- 146,453
- 148,199
- 161,622
- 61,370
- 66,444
- 60,286
- 94,860
- 31,917
- 39,309
- 52,387

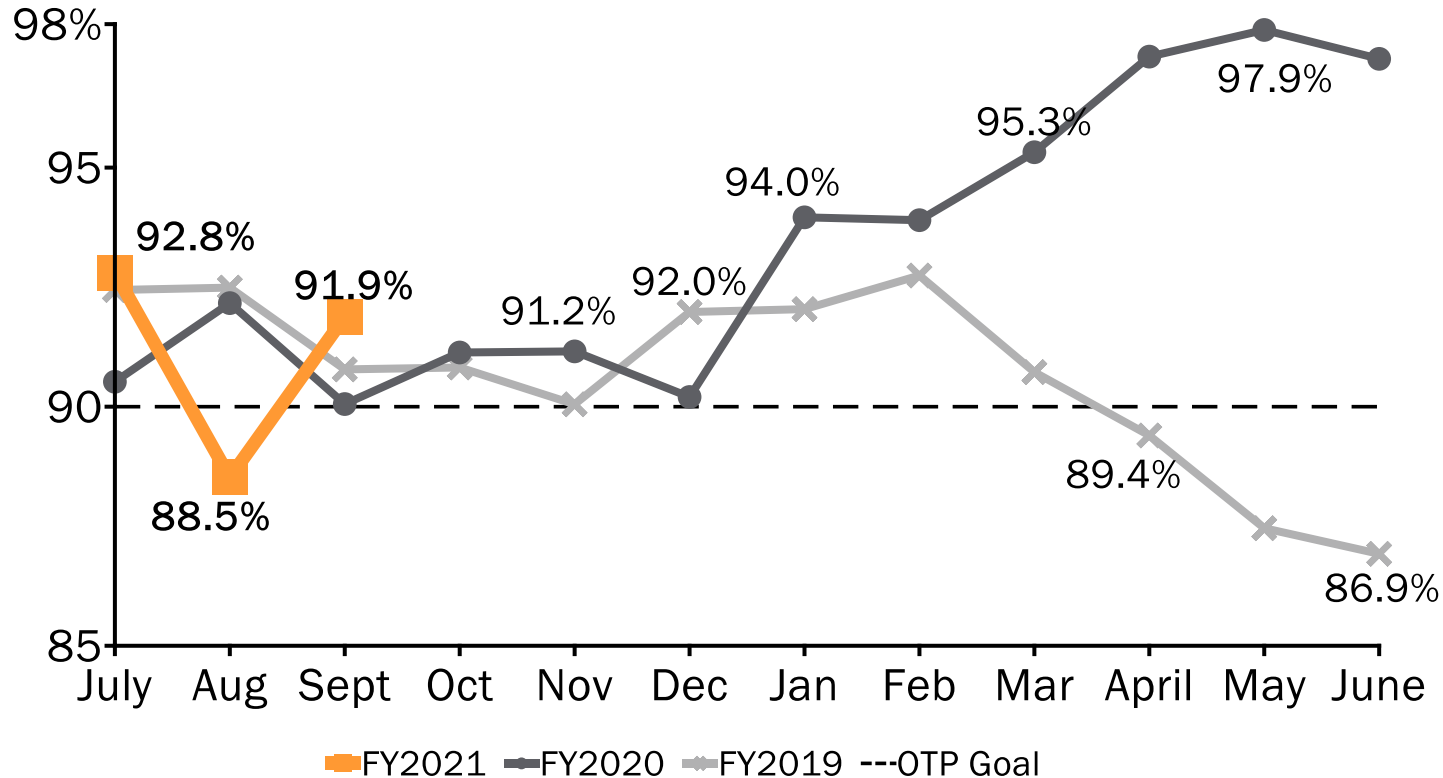Months: July, Aug, Sept, Oct, Nov, Dec, Jan, Feb, Mar, April, May, June

Key Factors / Explanations

- At the peak of COVID, 800 trips were delivered daily

- Ridership at lowest point down by 88%

- Current ridership down by 60%
  - Weekday average trips: 2,098
  - Weekend average trips: 975

- Tracking closely to bus ridership in recovery and future projections

- Continuing to maintain 1 trip per vehicle (no ride-sharing between customers) for customer and driver safety

Overview of Current Service

On-Time Performance (% within 15 min)

Legend: FY2021, FY2020, FY2019, ---OTP Goal

Data labels on chart: 92.8%, 91.9%, 88.5%, 91.2%, 92.0%, 94.0%, 95.3%, 97.9%, 89.4%, 86.9%

Months: July, Aug, Sept, Oct, Nov, Dec, Jan, Feb, Mar, April, May, June
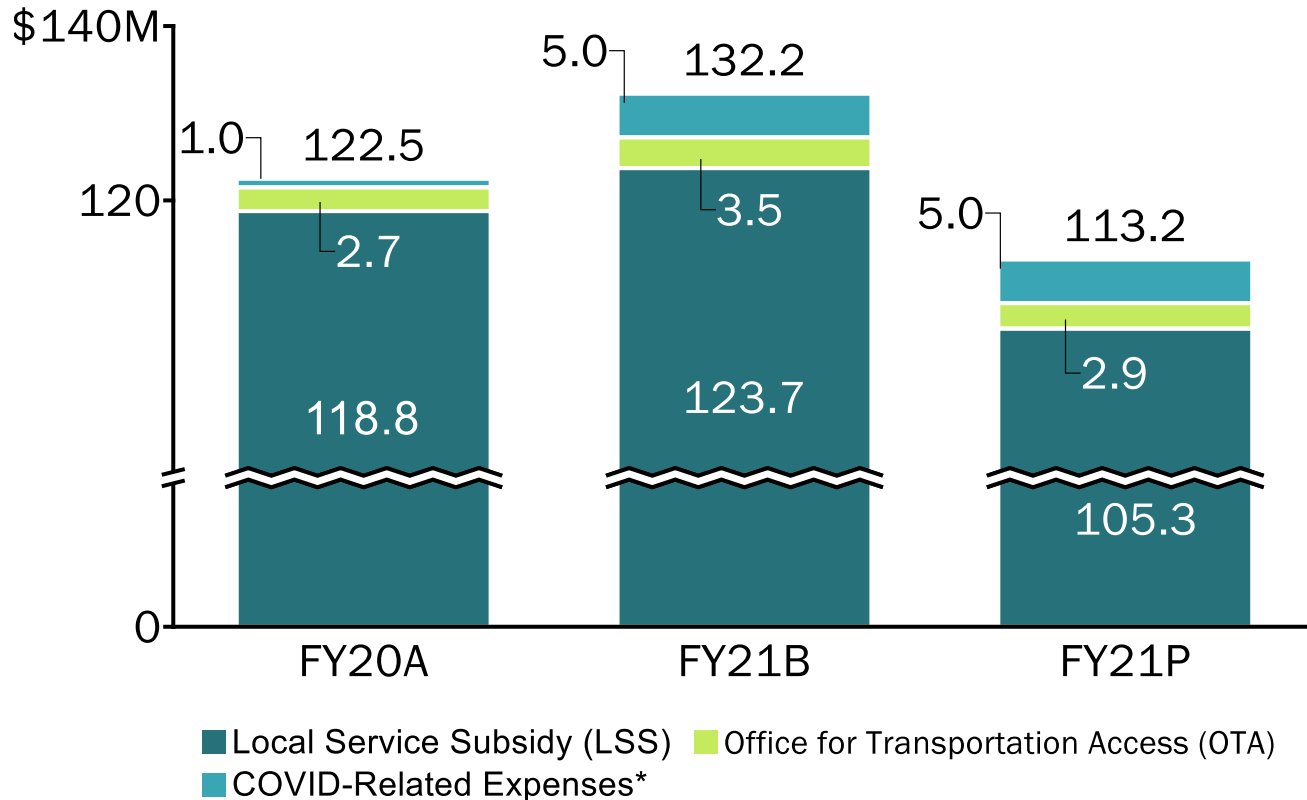
Y-axis: 85, 90, 95, 98%

Key Factors / Explanations

- **COVID:** OTP increased due to low ridership and no reduction in driver hours

- **Driver Strike:** July OTP dropped due to a week-long strike for 50% of the workforce

- **Software Transition:** August OTP dropped due to the transition on 8/15, rebounded in September, and continued to improve in October (est. 92.1%)

  - Other performance metrics have tracked in a similar way to OTP

  - While these metrics are above service level goals they are still below pre-transition COVID levels

The RIDE is expected to be under budget in FY21

Paratransit Budget (OTA and LSS)

Chart data:

	FY20A	FY21B	FY21P
Total	122.5	132.2	113.2
COVID-Related Expenses	1.0	5.0	5.0
Office for Transportation Access (OTA)	2.7	3.5	2.9
Local Service Subsidy (LSS)	118.8	123.7	105.3

Legend:
- Local Service Subsidy (LSS)
- Office for Transportation Access (OTA)
- COVID-Related Expenses*

Key Factors / Explanations

- Lower ridership requires fewer service hours to still provide high OTP
  - FY21B: 3.7% ▲ in ridership and 19.1% ▲ in service hours vs. FY20B
  - FY21P: 53.6% ▼ in ridership and 14.4% ▼ in service hours vs. FY20B
- Lower ridership for on-demand pilots
- Reduction in fuel price and usage
- Delayed implementation other initiatives

* COVID-related expenses in FY20 were not at the department level. In FY21 these expenses were moved to The RIDE's budget.
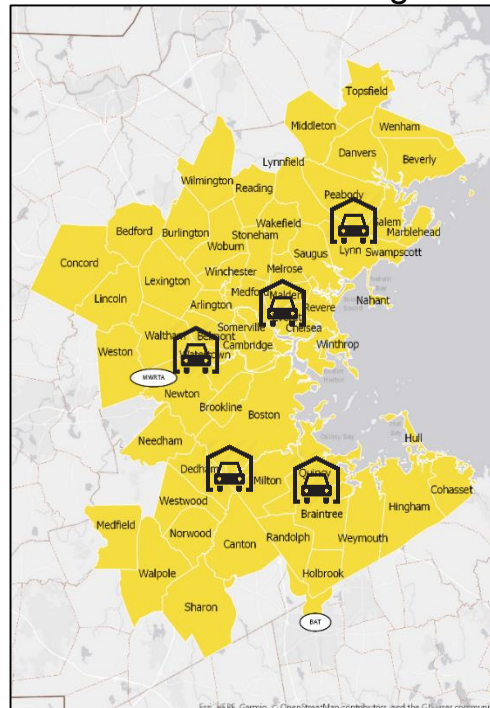
The DSP transition has been successfully completed

FY15-FY20
Three-Zone Decentralized
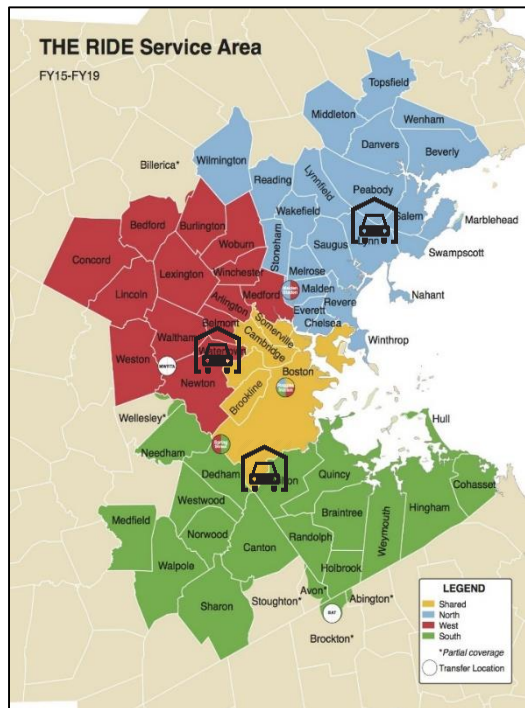
FY21 Onward
Centralized Zoning

- **Eliminated zones** and **transfer trips**

- Set up **new facilities** in Lynn, Everett and Quincy for better geographic coverage

- Successfully **hired, onboarded, and trained** management staff and drivers

- **Retired old fleet** and added 171 new Ford Flex outfitted with in-vehicle technology

- Upgraded entire fleet with **new in-vehicle video telematics system** to enhance safety

- Added **new performance metrics** and **oversight responsibilities** to keep contractors accountable

Routematch, The RIDE's new software, went live on 8/15

- To ensure a successful transition, implementation was initially delayed 8 months, with a further 6 month delay due to COVID

- Despite an initial drop in On-Time Performance (OTP), service quickly rebounded

  - OTP dropped initially to 77% on August 20th

  - OTP has averaged 92% since the second week in September, with highs above 96%

- Customers and the MBTA are seeing early benefits due to increased communications, an enhanced web portal, and increased efficiency

- Although performance has improved, there is still more work left to be done

  - Embed new processes into Call Center/DSP culture via further training

  - Optimize software and develop new features (including a new customer mobile app)

  - Continue to hold vendor accountable for performance and timely delivery