

# METRO MOBILITY ENHANCEMENT PILOT PROGRAM

January 2026



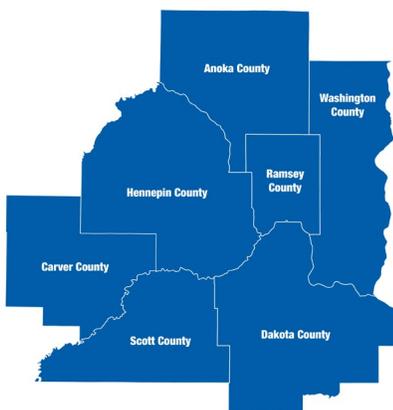
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## Preface

This report summarizes the Metro Mobility Enhancement Pilot Program as established in Laws of Minnesota 2023, chapter 68, article 4, section 121.

## Summary

The Metropolitan Council operates transit services in the Twin Cities region, including Special Transportation Services as defined in Minnesota Statutes, section 373.386. This program operates as two public transportation services (Metro Mobility and Metro Move) and an alternative taxi subsidy program known as Premium On-Demand.

Premium On-Demand was established in 2004 and provided subsidized alternative to Metro Mobility for certified riders in 2004 using taxi providers. Customers are responsible for the initial taxi fare and the Met Council provides a subsidy up to a maximum (currently \$20) and customers are responsible for any additional amount.

The 2023 Transportation Omnibus bill (Laws of Minnesota 2023, chapter 68) required the Met Council to implement a pilot project offering expanded service hours for its Premium On-Demand program. This report evaluates the program under criteria established by the program's legislation.

The Met Council implemented the program consistent with requirements in law, operating from September 1, 2023 through December 31, 2025 offering additional service hours on a consistent basis across the Metro Mobility service area.

From September 2023 through October 2025 (latest available data for report preparation) the Met Council's Premium On-Demand service providers delivered 7,069 Premium On-Demand rides in the pilot in the expanded hours, at a cost of \$115,226 in fare assistance and \$241,128 of surcharges for a total cost of \$356,354 through October 2025.

With 333,545 rides delivered in the base Premium On-Demand program, expanded hours pilot accounted for 2% of total rides in the evaluation period. Thus, expanded service hours represent only a small portion of program growth during this time. However, per-passenger subsidies totaled \$50 per ride in expanded pilot hours, higher than average per-ride subsidies of regular Metro Mobility services and nearly double the average subsidy of the base Premium On-Demand program.

The Met Council concluded the expanded hours pilot on December 31 and is considering changes in the program in coordination with broader program evaluation efforts by the Minnesota Department of Transportation (MnDOT) as described in this report. Changes may include passing nonstandard hour surcharges to customers, revising subsidies to vary by time of day, or other revisions to help manage program costs while continuing Premium On-Demand services that offer additional flexibility for certified disabled riders and lower cost alternatives to Metro Mobility services.

Several components of this evaluation were developed in partnership with MnDOT and its consultant completing an evaluation of Special Transportation Services as required by Laws of Minnesota 2024, chapter 127, article 2, section 125. Ongoing program considerations are informed by related MnDOT evaluation of Metro Mobility financial forecasts under Laws of

Minnesota 2025, chapter 8, article 2, section 121. Project results also inform MnDOT’s development of a Wheelchair Accessible Vehicle Study under Laws of Minnesota 2025, chapter 8, article 2, section 119.

## Program history

The Metropolitan Council began offering a subsidized alternative to Metro Mobility for certified riders in 2004 using taxi providers. The service evolved modestly over the past 20 years, but the foundational components of the program remained the same prior to the implementation of the legislatively required program expansion in September 2023. Prior to the pilot expansion program, characteristics included:

1. On-demand service
2. Customer initiated
3. Booked directly with taxi provider
4. Accessible vehicles
5. Customer paid the initial fee \$5
6. Met Council capped its contribution per trip at \$20
7. Program availability matched Metro Mobility service hours by community

## 2023 pilot program requirement

The Met Council implemented the pilot program, as shown in Table 1:

**Table 1. Program Requirements and Implementation Summary**

Legislative Requirement	Implemented Program
(1) commence by September 1, 2023, and operate until December 31, 2025;	<input checked="" type="checkbox"/> Implemented on September 1, and operated through December 31, 2025
(2) provide for advanced scheduling of enhanced Metro Mobility service;	<input checked="" type="checkbox"/> Advanced scheduling of Premium On-Demand service was provided through the pilot period. Due to availability, the Met Council required pre-scheduling for wheelchair accessible vehicles when necessary to complete a trip.
(3) to the extent feasible, provide service outside of the current Metro Mobility hours of service, as follows: (i) on weekdays from 6:00 a.m. to 10:00 p.m.; (ii) on Saturdays from 7:00 a.m. to 11:00 p.m.; and (iii) on Sundays from 7:00 a.m. to 10:00 p.m.;	<input checked="" type="checkbox"/> As applicable, the Met Council expanded service hours of Premium On-Demand from base Metro Mobility hours (varied by community, matching regular route transit hours) to the hours in the law. If a community’s base service hours were beyond the legislative requirement, availability was unchanged.
(4) cover the entirety of the geographic area specified in Minnesota Statutes, section 473.386, subdivision 3, clause (9); and	<input checked="" type="checkbox"/> The expanded hours were available across the entire Metro Mobility service area as defined

	by state law (Minnesota Statutes, section 473.386)
(5) establish rider eligibility and fares in a manner that is substantially comparable to the requirements under Metro Mobility.	<input checked="" type="checkbox"/> Certified Metro Mobility riders are eligible for Premium On-Demand services.

## Program providers

The Met Council amended its ongoing contract for Premium On-Demand services, and in 2024 solicited new proposals and executed three new contracts to give Metro Mobility customers provider choice. The three service providers currently available to customers at their discretion are UZurv, Transportation Plus, and Carepool. All three providers have varying payment structures that include:

- The provider’s base rate per trip
- The provider’s rate per mile (for trips that exceed a provider-set distance)
- Surcharges for trips after 6:00 p.m. and before 6:00 a.m. on weekdays and all trips on weekends
- Surcharges for wheelchair accessible vehicle rides

## Fiscal review

### Base fare revision

Concurrent with pilot implementation, the Met Council adjusted the maximum taxi fare subsidy available to customers. After the customer’s responsibility for the initial \$5, the maximum subsidy amount had been \$15 for many years. In September 2023, the Met Council adjusted this to \$20 reflecting cost increases in taxi fares since the subsidy was last revised in 2016.

### Trip surcharges

To implement the pilot program successfully by September 1, the Met Council amended its ongoing contract with its taxi provider to reflect the new service hours. The contract renegotiation with Transportation Plus resulted in a significant shift in pricing. Taxi drivers are commonly self-proprietorships and drivers determine when they want to work. Their profit needed to be advantageous enough to encourage availability beyond standard hours.

The requirement to provide service and drivers throughout the Metro Mobility service area until 10:00 p.m. on weekdays and Sundays and 11:00 p.m. on Saturdays resulted in the addition of surcharges in the contract, paid by the Met Council. These Met Council-paid surcharges are based on the distance of the pickup and drop-off zip code(s) from the center of the metro area - 1600 6th St S, Minneapolis, MN (roughly the location of US Bank Stadium). The applicable surcharge a zip code would incur based on its distance from the center of the city is as follows:

- \$12.50 – less than 15 miles from center
- \$15.00 – 16-17 miles from center
- \$17.50 – 18-20 miles from center
- \$20.00 – 20 to 25 miles from center

- \$22.50 – 26 to 30 miles from center

This pricing revision affected both trips in the pilot project and other trips on Premium On-Demand services from 6:00 p.m. to 6:00 a.m. on weekdays and all weekend trips. This pricing structure was included in 2024 re-procurement of on-demand services that resulted in three provider options.

## Pilot program results

Met Council completed the expansion pilot amid broader growth in the Premium On-Demand program, with total program expenses and ridership summarized below. The pilot delivered 7,069 rides in expanded service hours at a total cost of \$356,355, and an average cost of \$50.41 per trip. This amounted to 2% of rides and 4% of total costs for the program.

**Table 2: Premium On-Demand Program Costs and Rides (Sept 2023 through Oct 2025)**

Month/ Year	Base Program Rides	Base Program Fare Subsidy	Base Program Surcharges*	Base Program Total Cost	Base Program Cost/Ride	Pilot Expansion Rides	Pilot Expansion Fare Subsidy	Pilot Expansion Surcharges	Pilot Expansion Total Cost	Pilot Expansion Cost/Ride
Sep-23	7,760	\$104,087	\$82,823	\$186,909	\$24.09	129	\$2,290	\$4,038	\$6,328	\$49.05
Oct-23	8,317	\$112,412	\$93,795	\$206,207	\$24.79	151	\$2,455	\$4,938	\$7,393	\$48.96
Nov-23	8,671	\$119,009	\$87,798	\$206,806	\$23.85	141	\$2,343	\$4,673	\$7,015	\$49.75
Dec-23	9,471	\$130,555	\$113,023	\$243,578	\$25.72	188	\$3,101	\$6,270	\$9,371	\$49.85
Jan-24	9,599	\$129,120	\$100,075	\$229,195	\$23.88	190	\$3,077	\$6,060	\$9,137	\$48.09
Feb-24	10,389	\$140,990	\$114,395	\$255,385	\$24.58	220	\$3,463	\$7,075	\$10,538	\$47.90
Mar-24	11,474	\$156,419	\$142,085	\$298,504	\$26.02	293	\$4,710	\$9,830	\$14,540	\$49.62
Apr-24	10,880	\$148,662	\$125,603	\$274,264	\$25.21	266	\$4,175	\$9,303	\$13,477	\$50.67
May-24	12,020	\$166,570	\$137,900	\$304,470	\$25.33	319	\$5,252	\$10,713	\$15,964	\$50.04
Jun-24	11,925	\$163,992	\$153,473	\$317,464	\$26.62	287	\$4,590	\$9,683	\$14,273	\$49.73
Jul-24	12,828	\$178,020	\$143,270	\$321,290	\$25.05	322	\$5,047	\$10,438	\$15,484	\$48.09
Aug-24	12,925	\$179,940	\$155,900	\$335,840	\$25.98	264	\$4,159	\$8,823	\$12,982	\$49.17
Sep-24	13,233	\$184,635	\$157,503	\$342,138	\$25.85	314	\$5,126	\$10,428	\$15,553	\$49.53
Oct-24	14,458	\$204,225	\$155,588	\$359,813	\$24.89	341	\$5,280	\$11,455	\$16,735	\$49.08
Nov-24	13,003	\$184,457	\$153,455	\$337,912	\$25.99	331	\$5,132	\$11,790	\$16,922	\$51.12
Dec-24	13,890	\$196,746	\$167,985	\$364,731	\$26.26	347	\$5,418	\$11,618	\$17,035	\$49.09
Jan-25	13,966	\$197,658	\$153,015	\$350,673	\$25.11	350	\$5,421	\$11,565	\$16,986	\$48.53
Feb-25	13,241	\$187,108	\$154,893	\$342,000	\$25.83	305	\$4,785	\$10,205	\$14,990	\$49.15
Mar-25	14,818	\$210,297	\$190,683	\$400,980	\$27.06	351	\$5,764	\$12,053	\$17,817	\$50.76
Apr-25	15,002	\$214,454	\$178,095	\$392,549	\$26.17	383	\$6,271	\$13,098	\$19,369	\$50.57
May-25	14,515	\$209,025	\$180,338	\$389,363	\$26.82	259	\$4,449	\$8,770	\$13,219	\$51.04
Jun-25	14,102	\$205,249	\$178,390	\$383,639	\$27.20	236	\$4,063	\$8,490	\$12,553	\$53.19
Jul-25	16,336	\$237,770	\$192,779	\$430,549	\$26.36	294	\$5,059	\$10,568	\$15,627	\$53.15
Aug-25	16,865	\$244,056	\$217,165	\$461,221	\$27.35	303	\$5,222	\$11,153	\$16,374	\$54.04
Sep-25	16,173	\$238,511	\$197,235	\$435,746	\$26.94	277	\$4,831	\$10,250	\$15,081	\$54.44
Oct-25	17,684	\$258,460	\$199,465	\$457,925	\$25.89	208	\$3,746	\$7,848	\$11,594	\$55.74
<b>Total (thru 10/25)</b>	<b>333,545</b>	<b>\$4,702,428</b>	<b>\$3,926,724</b>	<b>\$8,629,152</b>	<b>\$25.87</b>	<b>7,069</b>	<b>\$115,227</b>	<b>\$241,129</b>	<b>\$356,355</b>	<b>\$50.41</b>

<sup>a</sup> The trip subsidies from surcharges values are included in the trip subsidies paid by the Met Council values. Surcharges reflect additional costs charged by providers during nonstandard days/hours and for trips for people with mobility devices that providers started with the expanded pilot.

## Service and customer experience

(3) analyze results under the pilot program, including improvements to service and customer experience;

Through analysis of Metro Mobility certified riders who participated in the pilot expansion, the Met Council finds expanded service hours seem to have attracted a new set of riders:

- 36% of the customers using Premium On-Demand during the expanded pilot hours had not used Metro Mobility or Premium On-Demand prior to the pilot, and
- 4% only used either service once within the previous 6 months.

Thus, in the pilot's expanded service hours the program was a wholly new service offering, not an alternative to Metro Mobility service (which does not operate during the expanded hours). The effect of the pilot was to expand available hours of an accessible service offering beyond regular Metro Mobility hours for certified disabled customers in the service area.

The Met Council did not survey Premium On-Demand customers' experience with the program as part of the pilot evaluation, instead tracking costs and use of the expanded service as the key evaluation metrics. Based on increased usage by ongoing and new riders in both regular and expanded hours (when it was previously unavailable), the Premium On-Demand program is a popular service offering.

## Service accessibility

(4) evaluate accessibility impacts and constraints for riders who use a wheelchair or otherwise require specialized equipment or service;

Metropolitan Council services meet federal accessibility requirements, including the Premium On-Demand program. Taxi providers meet accessibility requirements by ensuring wait times are comparable between non-accessible and wheelchair accessible vehicles. To ensure availability and accessibility, riders needing a wheelchair accessible vehicle option in the pilot enhancement program were required to book at least one day in advance. Resultantly, there were no known issues with accessibility.

Each month Premium On-Demand providers are required to report on the average wait time for a wheelchair accessible vehicle service request vs. ambulatory request to ensure a comparable level of service. Contractors are instructed to discontinue all availability if there is a material difference in response time for wheelchair accessible vehicle vs. ambulatory requests. This helps ensure that programs meet ADA requirements.

Unlike Metro Mobility paratransit that provides door-through-first door service (with driver escort), Premium On-Demand service is curb-to-curb service. Taxi drivers are not required to assist customers in the same way Metro Mobility drivers are, though drivers may assist customers with boarding the vehicle or with packages at the driver's discretion.

## Additional program factors

(5) consider service models, technologies, partnership models, and anticipated industry changes;

### Not public transportation, decreasing federal revenue formula earnings

The service model for Premium On-Demand is not considered public transportation. Additionally, extended hours through this pilot offered service over and above the Met Council's typical mission to provide public transportation.

Premium On-Demand service data are not reportable to the federal government (National Transit Database) as transit service, because Premium On-Demand does not meet the federal definition of public transportation. The primary reason is that this service does not include shared rides.

The Metropolitan Council estimates the per-trip federal revenue from Metro Mobility trips to be around \$4 per ride; this revenue is not realized on Premium On-Demand services. Federal revenues are realized primarily on a revenue-mile basis, as Premium On-Demand trips generally have shorter distances than Metro Mobility trips the lost revenue is estimated around \$2 per ride.

Federal revenues are used to offset state forecast program responsibilities for Metro Mobility capital costs.

## Emerging technologies and business models

Several initiatives have potential to significantly revise industry models that relate to taxi subsidy alternatives for Metro Mobility. These are best addressed through ongoing efforts including legislative reporting and other evaluations led by MnDOT and private industry. While these efforts may affect paratransit service options and alternatives in the future, they are not yet developed to the point of actionable recommendations in this study. Some examples include:

- Connected and autonomous vehicles enable vehicle communication for safe operations without human input and require appropriate regulatory and legal frameworks the state may consider. (<https://www.dot.state.mn.us/automated/>)
- Automated taxi and mobility-on-demand services could enable fully autonomous, on-demand ride services at lower operational costs. While these services would not provide necessary door-to-door services for ADA paratransit, they could augment taxi services. Autonomous transit program pilots have been demonstrated in Minnesota and could be a future model for some demand-response services or alternatives to paratransit.
- Supply of wheelchair accessible vehicles is a significant ongoing challenge due to limited availability and high costs particularly in taxi and on-demand industries such as transportation network company models like Uber and Lyft. MnDOT is evaluating this challenge and developing recommendations based on engagement with users and providers of transportation services (<https://talk.dot.state.mn.us/wheelchair-accessible-vehicle-study>)

Other technologies, service models, and considerations are described in sections below.

## Considerations for program replication

(6) identify findings, practices, and considerations for replication in communities throughout the state;

### United States peer program examples

Subsidized taxi alternate service is a common practice in paratransit in the United States. Transit Cooperative Research Program Report 239 *Provision of Alternative Services by Transit Agencies* included a survey to better understand how transit agencies implemented alternative services, such as partnerships with transportation network companies such as Uber and Lyft,

and taxi providers, for ADA paratransit riders. Of the 24 agencies invited to participate, 18 responded. The survey aimed to uncover the goals, challenges, and operational practices associated with these alternative service models.

Agencies reported several goals for launching alternative services. Most (14) of the agencies cited reducing overall or per-trip costs as a top priority. An equal number emphasized the importance of providing on-demand or same-day mobility options. Additionally, 12 agencies aimed to reduce demand for traditional ADA paratransit services.

Despite these benefits, agencies also identified challenges. Safety was the most frequently cited concern (mentioned by 12 agencies), followed by difficulties in ensuring equivalent response times for wheelchair accessible vehicles (mentioned by 11 agencies) and challenges in collecting data for National Transit Database reporting and performance monitoring (mentioned by 10 agencies). Other concerns included vehicle safety; limited availability of wheelchair accessible vehicle taxis; compliance with state and local regulations; and Title VI issues related to access for riders without smartphones, internet, or bank accounts.

In terms of program design and operations, most agencies relied on formal service contracts, while others used data-sharing agreements or reimbursement models (i.e., the transit agency reimburses the rider or the provider). Eligibility typically included ADA paratransit-certified riders, though some programs also served seniors and veterans. Providers ranged from transportation network companies like Uber and Lyft to taxi to Non-Emergency Medical Transportation companies. While most programs offered wheelchair accessible vehicle service, transit agencies reported that response times may not be comparable to those of non-wheelchair accessible vehicle trips, which violates the ADA. Fare policies varied widely, but a common model included a base fare with the rider responsible for costs beyond a subsidy cap. Half of the programs impose trip limits to manage costs or prevent overuse. Service areas often extended beyond the ADA-required zones, and service hours ranged from matching ADA paratransit schedules to full 24/7 availability. Booking methods typically included both call centers and mobile apps, although some programs restricted booking to phone calls.

Data and evaluation practices also varied. More than half of the agencies received all requested data from providers, while others reported gaps, particularly in trip-level details. Common performance metrics included cost per trip, overall program cost, ridership, and customer satisfaction. Eight agencies developed methods to estimate cost savings from mode shifts (i.e., ADA paratransit customers switching to the alternative service), and an equal number had data showing reduced per-trip costs.

Agencies shared advice for others considering similar programs. They emphasized the importance of building strong relationships with local providers, starting with pilot programs, and scaling based on data. Respondents also underscored the need to ensure that riders without access to smartphones or bank accounts can still use the service. Agencies recommended using fare pricing to manage demand, prioritizing data collection and formal agreements, and engaging rider advocacy groups early in the planning process.

Table 3 summarizes program characteristics. Metro Mobility was not included in Transit Cooperative Research Program report 239 (2023) but is included in the table for reference, using current data.

**Table 3. Other United States taxi subsidy program characteristics**

(per TCRP Report 239 (2023), 2024 Met Council added for reference)

Transit Agency	Program Name	Launch Year	Service Type	Fare Structure	Subsidy Limit	Trip Limits	Traditional ADA Subsidy/Trip	Alternative Service Subsidy/Trip	Service Hours
<b>Metropolitan Council (reference)</b>	Premium On-Demand	2004	Taxi/TNC user-side subsidy	\$5 fare, Council pays up to next \$20	Up to \$20	None	\$47.12 (2024)	\$25.87 base \$50.41 expanded (2023-2025) incl. surcharges	Matching fixed route + ADA; Expanded pilot 2023-2025
<b>MBTA (Boston, MA)</b>	The RIDE Flex	2016	TNC-based on-demand	\$3 base fare; MBTA pays up to \$40	Up to \$40/trip	Based on historic RIDE use	\$56.62	\$15.92	Same as fixed-route + ADA
<b>BCT (Broward County, FL)</b>	Rider's Choice	2017	Taxi subsidy	No base fare; BCT pays up to \$18	\$18/trip	2 trips/day	\$26.03	\$13.56	24/7
<b>Mountain Line (Flagstaff, AZ)</b>	Paratransit Taxi Program	2007	Taxi/TNC user-side subsidy	Rider pays 20%; agency pays 80%	\$300/month	No trip limit; monthly cap	\$46.05	\$10.62	Same as fixed-route + ADA
<b>GRTC (Richmond, VA)</b>	CARE On-Demand	2017	Adaptive TNC	\$6 fare; GRTC pays next \$15	\$21/trip total	No stated limit	--	--	Weekdays 5:30 a.m. to 10 p.m.; weekends 7:30 a.m. to 7:30 p.m. (exceeds ADA)
<b>VIA (San Antonio, TX)</b>	Taxi Subsidy Program	2016	Taxi-based on-demand	\$2 fare; VIA pays next \$9-\$11	\$9-\$11/trip	20 trips/month; daily caps	--	--	Same as fixed-route + ADA
<b>WeGo (Nashville, TN)</b>	Access-On-Demand	2021	TNC/taxi-based on-demand	\$5 fare; WeGo pays up to \$30	\$30/trip	100 trips/month	--	--	Weekdays 6 a.m. to midnight; Saturdays 4:45 a.m. to 1 a.m.; Sundays/holidays 4:45 a.m. to 11 p.m.
<b>DART (Dallas, TX)</b>	Paratransit On-Demand	2017	TNC-based on-demand	\$3.50 fare; DART pays next \$30	\$30 per trip	4 trips/day	--	--	Same as fixed-route + ADA

ADA = Americans with Disabilities Act; BCT = Broward County Transit; DART = Dallas Area Rapid Transit; GRTC = Greater Richmond Transit Company; MBTA = Massachusetts Bay Transportation Authority; TNC = transportation network company; TCRP = Transit Cooperative Research Program

## Applicability to transportation programs statewide

Premium On-Demand is a service offering that complements ADA paratransit in the Twin Cities region and may have potential applicability in other areas of Minnesota, with limitations.

- Subsidized taxi service is not public transportation; it is an additional service offering. As a public transportation (transit) provider, the Met Council's primary public purpose for taxi subsidy offerings is the potential for cost savings through reduced demand for paratransit trips.
- To the extent that Special Transportation Service (paratransit) is required by federal and state law, a taxi alternative offers potential for a cost savings and associated public purpose. Federally, paratransit is required within 3/4 mile of all-day local transit service during the days and hours that regular route service operates. Minnesota Statutes, section 473.386 defines additional areas for paratransit service under a state-mandated area, corresponding to a legislatively defined set of municipalities within the metropolitan area.
- Within other regions of Minnesota, paratransit services may be required in certain areas due to all-day fixed route bus services. In these areas, a taxi alternative may offer savings compared to traditional paratransit services. Program design could draw from the regional or national experiences as shared in this report.
- In rural areas, paratransit trips are likely not required because there is no underlying fixed route transit service, and therefore no required accessible complementary service for riders unable to use fixed route service due to a disability or health condition. In these cases there is not potential for public transportation cost savings by shifting paratransit demand to other programs such as a taxi program.
- Instead, these services would be for other transportation assistance purposes. Many transportation programs include taxi, transportation network company, or other transportation subsidies from transportation or human services providers and volunteer driver programs.
- In this pilot, a distance-based surcharge was applied to trips in nonstandard hours. This cost comprised a significant share of pilot expansion costs and would be a limiting factor in other areas of the state, particularly in rural areas.

## Potential modifications to Metro Mobility and Premium On-Demand services

(7) review any modifications under consideration, planned, or implemented for the Metro Mobility program

The Metropolitan Council discontinued the extended hours pilot on December 31, 2025. The Met Council reverted program availability back to providing Premium On-Demand service during the same hours by community that Metro Mobility is available.

Metro Mobility program revisions are not under consideration as a result of the Premium On-Demand expanded hours pilot, though concurrent evaluation of the Metro Mobility program by MnDOT (Laws of Minnesota 2024, chapter 127, article 2, section 125) has yielded several modifications in development or for future consideration. Draft observations and recommendations from that report and study team include observations and recommendations

as summarized below. The MnDOT evaluation report will be submitted to the legislature by February 15, 2026.

### MnDOT study team observations

- When Premium On-Demand results in a cost savings, which it does during times when Metro Mobility service is operating, investment in Premium On-Demand makes financial sense while also enhancing mobility for ADA-paratransit-eligible riders.
- However, when Premium On-Demand results in added costs, which it does during the pilot hours, investment in Premium On-Demand must be more carefully scrutinized—weighing investment decisions against desired outcomes. The pilot hours service goes above and beyond being an alternative service — instead, it provides a form of subsidized taxi service.

### MnDOT study team recommendations

- **Consider setting extended-hour restrictions:** As seen in the industry review, it was common for transit agencies to set trip limits for individual users (e.g., 20 trips per month) using the standard alternative service. It is also reasonable for the Met Council to set trip limits that specifically apply to extended-hour Premium On-Demand trips. The limits could be in the form of a maximum number of trips per day, per week, or per month. The limits could also be in the form of maximum distances.
- **Consider passing nonstandard-hour surcharges to riders during extended hours:** Because some Premium On-Demand providers levy surcharges for nonstandard hours trips, the Met Council could pass a portion or all nonstandard-hour surcharges along to the user, reducing the portion of the extended-hour cost subsidized by the Met Council. Passing the nonstandard hours surcharges along to extended-hour Premium On-Demand users will also help manage demand for extended-hour trips and encourage providers to consider how their time surcharge compares with their competitors (extended-hour users are currently unaware of surcharges paid by Met Council).
- **Consider setting a lower subsidy amount during extended hours:** Because the extended-hour service would be a premium service offering, the Met Council could change the subsidy structure for extended-hour trips so that more of the trip cost is passed to the customer by default. For example, instead of the customer paying for the first \$5 of a trip, customers taking Premium On-Demand trips during extended hours could pay the first \$10 of a trip, with the Met Council subsidizing the next \$10. A \$15 fare would be paid \$10 by the customer and \$5 by the Met Council (as opposed to the Met Council currently paying \$10 of a \$15 fare). A \$25 fare would be paid \$15 by the customer and \$10 by the Met Council (as opposed to the Met Council currently paying \$15 of a \$25 fare). These examples provided possible changes in the subsidy amount and are not specific recommendations.
- These considerations and recommendations are provided with a caveat—any potential change in the Premium On-Demand fare structure and/or trip-taking policies should be carefully vetted, analyzed, and communicated to Premium On-Demand users prior to implementing the change.

The Met Council will consider these recommendations as MnDOT reporting and recommendations are finalized in early 2026 (per legislation reporting is due February 15,

2026). Engagement and communication with riders and service providers will inform any potential program changes prior to implementation.

## Service improvement recommendations and fiscal implications

(8) make any recommendations on service improvements related to Metro Mobility, including fiscal implications.

The Premium On-Demand program is an *alternative* service offering to Metro Mobility paratransit service. It offers additional features (including on-demand scheduling) and a potential lower state cost compared to paratransit service delivery. However, the program has growing costs that limit its potential under its primary (public transportation) purpose, including:

1. Increasing usage. Program usage has increased significantly since 2023 and has grown from a small factor in Special Transportation Services costs to a more prominent program offering, with ridership nearly doubling since 2023. Expanded hours pilot rides were a small factor of this growth (2% of total rides).
2. Increasing costs. Surcharges and higher taxi fare assistance levels have contributed to higher program costs. During state FY25 the program cost \$4.5 million. Expanded hour pilot costs were a small factor in this growth, comprising 4% of total program costs.
3. While these costs are partially offset by reduced demand and usage for Metro Mobility, savings are only achieved when Premium On-Demand trips result in decreased Metro Mobility demand and its corresponding supply of service.
  - a. If Premium On-Demand trips are primarily taken for trips that would not otherwise use Metro Mobility, the service is an additive cost and premium offering.
  - b. These may have benefits to meeting certified disabled customers' travel needs but do not comprise **public transportation** that is the core of the Special Transportation Service program's purpose.
4. The Met Council may consider revisions to the Premium On-Demand program to help ensure the program design provides an alternative to Metro Mobility public transportation and not an additive program that primarily increases demand and public cost, including:
  - a. Targeting taxi subsidies to hours with greatest potential to reduce paratransit demand and corresponding supply, to help optimize net costs for both programs while maintaining service quality on the Metro Mobility program.
  - b. Consideration of surcharges and whether to revise contracts or to pass costs to customers. Surcharges for wheelchair accessible vehicles would likely continue, consistent with federal regulation. Wheelchair accessible vehicle surcharge costs are a minimal cost of the total Premium On-Demand program.
  - c. Integration with other programs offering non-transit transportation assistance for Minnesotans with disabilities. Program considerations are in development across various efforts including a MnDOT-led study of Wheelchair Accessible Vehicle Supply and Availability required under Laws of Minnesota 2025, chapter 8, article 2, section 119.

## Conclusions

The Metropolitan Council successfully implemented the Metro Mobility Enhancement Pilot Program as established in Laws of Minnesota 2023, chapter 68, article 4, section 121. The Met Council completed this by expanding its existing Premium On-Demand program, a taxi subsidy alternative to Metro Mobility paratransit.

Expanded service hours resulted in 7,069 rides at a cost of \$356,355 through October 2025 (latest available data for report preparation). These comprised 2% of rides and 4% of costs in this program, respectively. The pilot ended on December 31, 2025.

Through various evaluations and study efforts in coordination with the Minnesota Department of Transportation, the Met Council will continue to consider program modifications in the Premium On-Demand program to manage growing demand and costs for this service while offering high quality services for people with a disability or health condition that does not allow use of fixed-route public transportation.

# Appendix

## Statutory reference

Laws of Minnesota 2023, chapter 68, article 4, section 121, Metro Mobility Enhancement Pilot Program

Subdivision 1. Definition. For purposes of this section, "pilot program" means the Metro Mobility enhancement pilot program established in this section.

Subd. 2. Establishment. Subject to available funds, the Metropolitan Council must implement a pilot program to enhance the existing service levels of Metro Mobility under Minnesota Statutes, section 473.386.

Subd. 3. Requirements. The pilot program must:

- (1) commence by September 1, 2023, and operate until December 31, 2025;
- (2) provide for advanced scheduling of enhanced Metro Mobility service;
- (3) to the extent feasible, provide service outside of the current Metro Mobility hours of service, as follows:
  - (i) on weekdays from 6:00 a.m. to 10:00 p.m.;
  - (ii) on Saturdays from 7:00 a.m. to 11:00 p.m.; and
  - (iii) on Sundays from 7:00 a.m. to 10:00 p.m.;
- (4) cover the entirety of the geographic area specified in Minnesota Statutes, section 473.386, subdivision 3, clause (9); and
- (5) establish rider eligibility and fares in a manner that is substantially comparable to the requirements under Metro Mobility.

Subd. 4. Legislative report. By February 1, 2026, the Metropolitan Council must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance concerning the pilot program. At a minimum, the report must:

- (1) summarize pilot program implementation;
- (2) provide a fiscal review that identifies uses of funds;
- (3) analyze results under the pilot program, including improvements to service and customer experience;
- (4) evaluate accessibility impacts and constraints for riders who use a wheelchair or otherwise require specialized equipment or service;
- (5) consider service models, technologies, partnership models, and anticipated industry changes;
- (6) identify findings, practices, and considerations for replication in communities throughout the state;
- (7) review any modifications under consideration, planned, or implemented for the Metro Mobility program; and
- (8) make any recommendations on service improvements related to Metro Mobility, including fiscal implications.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.





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