

To: Kylee Hope, Director DDRS
Theresa Koleszar, Director BRS

From: Steve Cook, President/CEO, INARF
Sarah Chestnut, Public Policy Analyst, INARF

RE: Order of Selection and Draft Amended Sections of the VR portion of the WIOA Unified State Plan

Date: April 20, 2017

Thank you for the opportunity to comment on Order of Selection and the draft amended sections of the VR portion of the WIOA Unified State Plan. INARF applauds the state agency for the importance it places upon obtaining public input from a wide range of stakeholders in developing the amendments to the VR portion of the WIOA Unified State Plan, and is confident that the feedback received will be carefully considered in the final development of the plan. Please know that beyond our written comments, INARF is dedicated to assisting the state agency in any way appropriate to improve systems and services to individuals with disabilities.

INARF is the principal statewide trade association representing agencies that serve Hoosiers with intellectual and developmental disabilities. INARF Members often play a lifelong role in the lives of those they serve by providing a continuum of services that in many instances stretches from birth to death and across all facets of life in their chosen community. Further, INARF and its members are committed to ensuring Indiana's system of services and supports for individuals with intellectual and developmental disabilities offers maximum options, access, and choice. To that end, we appreciate the opportunity to provide our feedback on the draft amendments to the WIOA Unified State Plan. INARF has also encouraged its member agencies to submit comments in response to your request. We appreciate in advance your thorough review and consideration of their feedback.

Overall, we are deeply concerned about the impact of implementing Order of Selection in Indiana. We believe that implementing Order of Selection in Indiana will negatively impact people with disabilities, providers, the employment services system, schools, and the state. While the state makes a compelling argument in its explanation of the need to implement Order of Selection, we believe that the detriments outweigh the benefits. In addition, Order of Selection is contrary to current DDRS and BRS initiatives related to the implementation of the HCBS Rule, WIOA, Employment First, and the LifeCourse Framework, which all emphasize the importance of employment in the community as part of the vision for a good life for people with disabilities. Below we outline some of the potential harms of implementation:

Impact on People with Disabilities

According to the Plan, the state estimates that over 4,600 individuals will not be served during FFY17 and 18 under Order of Selection. The state also provides projections of the number of individuals who will be served and the number of individuals who will achieve their employment goals in each category. Overall, the Plan does not explain how BRS calculated the projected numbers, and INARF appreciates any additional information BRS can provide regarding these projections. INARF also urges BRS to consider the impact on certain groups, including individuals with autism spectrum disorders, individuals with mental health issues, and individuals who are dually diagnosed. Many of these individuals will likely be determined to fit in the significant disability (SD) category and will not be served.

Additionally, the Plan does not specify strategies to identify other non-VR services and supports to assist individuals who will not be served in reaching their employment goals. We understand that one strategy is to refer individuals to the Department of Workforce Development and WorkOne. We do not believe that DWD and WorkOne have the preparation, training, knowledge, and resources to serve individuals with disabilities and meet their needs related to employment. We have heard examples from providers who have worked with individuals with disabilities who have attempted to obtain services from DWD only to be told that DWD did not know how to serve them. In addition, DWD and WorkOne prioritize serving individuals who will be employed in positions making \$13 per hour or more. We know that most individuals with disabilities are not placed in positions making close to this wage. From the Plan, it is unclear what services DWD will be obligated to provide to individuals with disabilities to be compliant with WIOA. No significant changes in DWD's support of employment for individuals with disabilities has been observed since the passage of WIOA. INARF requests that BRS provide more information regarding the services individuals may receive from DWD as well as other initiatives to find additional services and supports for individuals who will not be served.

The Plan also discusses reduced spend on client services such as assistive technology, hearing aids, interpreters, driver's education, and transportation. Is there a plan for where individuals will be referred for these critical services? Does the State anticipate that the lack of these services will negatively impact employment outcomes for individuals served? We believe that the move to order of selection will systematically disassemble these programs to support persons with disabilities. Systems that in all cases, the state has spent years building to the level of quality and service that exists today. All of these programs required substantial investment to build on both the part of the state as well as the CRPs and are key services for long term employment for many individuals.

Impact on Providers and the Employment Services System

Based on the projected number of individuals who will be served from the Plan, we anticipate a 40-60% reduction in referrals to employment providers under Order of Selection. This reduction will have a dramatic negative fiscal impact on providers. Additionally, since clients who have MSD require a longer timeframe to reach Status 26, this will hurt provider revenue flow and ability to provide quality services. Order of Selection also seems particularly incongruent with the Establishment Projects initiated by BRS last year for the purposes of building provider capacity by providing funding to hire additional staff. Providers are reporting that they are adequately staffed to provide employment services. We believe that providers currently have reasonable timelines for referral to contact and referrals to placements. If providers will see such a significant reduction in referrals, it is likely that increased capacity will not be needed or that fewer staff will be needed, resulting in job loss for currently employed staff. The fiscal impact of Order of Selection could continue to be felt by providers for years, which will cause significant harm to the statewide provider network. As a result, some providers might not be able to continue providing employment services. A decrease in the number of providers would result in fewer options and less choice for individuals with disabilities, which is contrary to INARF's vision for a good life for people with disabilities.

Impact on Schools

Many providers in Indiana have recently begun partnerships with schools to provide Pre-Employment Transition Services to students transitioning from high school. Students with disabilities in all categories will receive Pre-ETS services while in high school and will be referred to VR for services after graduation. However, it is our understanding that students assessed by VR to be in the SD and NSD categories will not receive VR services after graduation, which will likely negatively impact their employment goals and outcomes. We are concerned that providers' relationships with students, families, and schools will be harmed due to perceptions that providers are responsible for the changes to their services. INARF requests additional information from BRS regarding the strategies it will use to educate students, families, and schools about the changes to services provided by BRS

and other options for transitioning students to receive services needed to support their successful transition. Additionally, the Plan references “third party cooperative agreements with state and local public agencies for the provision of Pre-ETS”. INARF requests additional information regarding these agreements and any impact they will have on the way Pre-ETS is provided. Ultimately, it seems incongruent for the state to make a move to reduce the number of referrals to provide service to at the same time they have implemented federal regulations that increase the number of youth who would expect to receive services through school partnerships. This move will adversely affect the trust between the schools, families and VR. The fall out of that effect will be felt firsthand by providers.

Impact on the State

Governor Holcomb has identified the economy and workforce as two of his pillars for taking Indiana to the next level. According to the Bureau of Labor Statistics, Indiana had an unemployment rate of 4.1% in February 2017. Employers are struggling to find qualified employees to fill open positions. During the 2017 legislative session, the legislature passed Senate Bill 390, Employment of Individuals with Disabilities, legislation stating that “It is the policy of the state to advance competitive integrated employment, including self-employment, as the first and preferred option when providing services to an individual with disabilities who is of working age, regardless of the nature or the severity of the individual's disability.” Order of Selection is contrary to the priorities for our state indicated by our Governor and our legislature. People with disabilities represent a large workforce that could play a key role in solving Indiana’s workforce crisis. Under Order of Selection, fewer individuals will receive the opportunity to receive the training, preparation, and supports to achieve their employment goals, and, therefore, their opportunities to contribute to the solution to this issue will significantly decrease. People with disabilities who are employed also make significant contributions to the economy by paying taxes and decreasing utilization of state assistance. The Plan mentions that there are over 350,000 individuals with disabilities in Indiana who are not employed. INARF believes that Order of Selection will increase the number of people with disabilities who are unemployed, resulting in more people with disabilities being forced to stay home, not engaging in meaningful day activities, and ultimately not achieving their visions for a good life. Order of Selection will likely negatively impact the economy, potentially increase the number of individuals who are homeless, increase the state’s spending on social assistance programs including Medicaid, and be detrimental to the State’s initiatives related to workforce and employment for people with disabilities.

INARF suggests that implementing Order of Selection is not the appropriate strategy to solve BRS’ staffing shortage. The BRS staffing shortage is not a new issue, and other administrations have elected to address the issue using other strategies and have not implemented OoS. INARF applauds BRS for implementing strategies to address staffing issues, such as changing qualifications for VRCs and creating Case Coordinator and Intake Coordinator positions. However, since BRS has only been implementing these strategies for approximately a year, we do not believe BRS has been implementing these strategies long enough to assess whether or not they have been effective. The Plan lists workload, salary, and qualifications as the primary reasons for current turnover in VR staff. With a turnover rate of 56% for VRCs, we question the exhaustiveness of the list and recommend that BRS examine this issue further to determine if additional factors are contributing. In addition, some states who have implemented OoS suddenly had individuals change their level of disability, increasing the number of persons in the qualifying ranges for services. Such an effect on the state of Indiana would compound their current challenges by increasing costs, confusion, and workloads.

Additionally, the Plan discusses the fiscal deficit that BRS will face over the next few years, yet we note that additional funding to address this deficit and draw down federal matching funds was not requested in FSSA’s budget. This funding could have been used to address salary issues and hire

additional staff to decrease VRC workloads. We are currently not drawing down all of the available federal matching funds, and these funds are being reallocated to other states.

In lieu of implementing Order of Selection, INARF recommends the following strategies to address BRS' staffing and fiscal issues:

- Streamline the onboarding and training process to decrease the time it takes for VRCs to hold their own caseload
- Continue to train VR staff about routine authorizations by VRCs in accordance with recent changes made by BRS and ensure that the authorizations provide sufficient time to use hours requested to decrease administrative burden on VRCs of constantly completing authorizations. Reinforce that VRCs should work with provider staff to understand the number of hours needed and the anticipated timelines for using the hours authorized.
- Host job fairs to find suitable candidates for open positions and ask community and systems partners to assist with marketing the events
- Consider using contractors to provide some services
- Determine if there are services that BDDS and VR staff both provide and find efficiencies
- Determine if there are tasks that provider staff and VR staff are both completing and find efficiencies
- Determine if there are tasks currently being completed by VR staff that providers would be able to complete – providers are willing to assist without compensation
- Fill open positions with people with disabilities
- Offer “boot camp” for newly hired staff to provide them with intensive training in the beginning and develop individualized training plans for ongoing training throughout their first year. Work with systems partners to offer these trainings.
- Increase targeted trainings for staff hired within the last year to allow them to independently provide services more quickly
- Suspend use of the “mobile/virtual” approach for new staff to increase the level of support and access to coworkers they receive
- Work with the State Personnel Office to reclassify VRCs to receive a higher rate of pay
- Work with external consultants to evaluate internal processes to determine reasons for high turnover in VR staff
- Conduct an outside study of market rates for VR staff wages, comparing qualifications and wages for VR staff in other states
- Collaborate with legislators and the Administration to find additional funding for VR services in order to draw down additional federal matching funds

Although we offer the above recommendations to avoid implementation of Order of Selection, we recognize that BRS may decide to move forward with implementation. If BRS does implement the Plan, INARF has developed the following list of questions regarding the implementation of Order of Selection for which we request clarification:

- Could BRS provide additional information regarding the assessment process to determine the disability determination category for each individual? How will BRS ensure that assessments are consistent among staff who are responsible for making these determinations?
- Is BRS prepared to increase discovery spending and allow more time with individuals in order to increase positive outcomes and attainment of employment goals?
- With OOS implementation, does BRS anticipate that VRCs will be able to be more involved in an individual's service provision and planning?
- Could BRS provide additional training to VR staff regarding working with individuals with most significant disabilities in achieving their employment goals to ensure that these individuals are successfully served?

- According to the Employment Services Model Evaluation - Quarterly Findings Report from February 2017, fewer individuals in the most significant disabilities category are being served under the ESM model compared to the RBF model. How will BRS conduct outreach to this population to assure that they are referred for VR services?
- If a client who is SD or NSD is on hold when OOS is implemented, where do they fall in the process? Will they have to re-apply when BRS has sufficient resources to serve them, or do they pick up where they left off?
- Will post-employment services be available to individuals who are not designated as MSD?
- The Plan states that the “mobile/virtual” approach “adds further challenge as staff is expected to work very independently and have limited access to coworkers”? Is BRS reconsidering this approach moving forward?
- Will the deferred list (those applicants not designated as MSD) be per area or for the entire state? How will this affect the availability of VR services in areas where there are lower numbers of MSD applicants? How will referrals be disbursed if some areas have more individuals referred than they can serve and those individuals are slated to be served before individuals referred in other counties where they have the capacity to serve more individuals? How will this affect the need for ES providers in some areas versus others? Does BRS anticipate a disparate impact in rural versus urban settings?
- Could BRS provide additional clarification concerning the timelines for re-evaluating the need for Order of Selection over the next few years and specifics concerning the conditions (fiscal, staffing) that would allow BRS to function without Order of Selection?
- BRS states that “a counselor-consumer ratio of no more than 1:100 is optimal to maintain efficient caseload management and high quality services.” Could BRS provide additional information concerning how this ratio was determined to be optimal? How many additional staff would be required to obtain this ratio?
- Does BRS anticipate that the reduction in referrals and individuals served will significantly impact state spending on VR services and the federal matching funds that will be available?
- Would it be possible for BRS to grandfather all clients who have had an application and are in the VR system when Order of Selection starts, and not just those with an IPE?
- Could BRS consider defining their categories differently as other states have in order to potentially serve some additional individuals who would currently be determined to be in the SD category? For example, Tennessee and Illinois have 4 defined priority categories and Kentucky has 5.
- Could BRS contact other states such as Michigan and Tennessee that indicated staffing shortages were a factor in implementing Order of Selection to find out if they have identified strategies that have successfully decreased their staffing deficiencies?
- Could BRS provide additional information concerning nearby states’ experiences with implementing Order of Selection? How have other states modified their Order of Selection, such as opening additional categories, and the associated timelines? What steps would BRS need to take in order to open a category? Other states’ plans specify possible scenarios in which Order of Selection will be implemented (for example, Ohio)
- Could BRS develop standard information and consistent messaging about Order of Selections for BRS central office and VR staff in local offices to consistently inform individuals, families, providers, legislators, and other stakeholders about Order of Selection, who will be served, what services they will receive, and other available services for people who will not be served?

Thank you very much for your consideration of our comments on the VR portion of the WIOA Unified State Plan. We hope you find that they are constructive as you consider potential changes to Indiana’s vocational rehabilitation services and the impact these individuals will have on Hoosiers with disabilities.