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To: General Public
From: Bureau of Rehabilitation Services
Date: October 23, 2014

NOTICE OF VOCATIONAL REHABILITATION EMPLOYMENT SERVICE RATE CHANGES

BACKGROUND and PURPOSE:

The Bureau of Rehabilitation Services (BRS) secures employment services through approved and accredited Community Rehabilitation Providers (CRP). In 2006, BRS fully implemented Results Based Funding (RBF) using a two-tiered consumer model. The majority of employment services provided by the CRPs are done through milestone payments, including completing an employment plan, five days after placement, four weeks after placement, and at case closure. While the RBF model has some effective components and incentivizes outcomes, there are some challenges that have developed over the years. The “one-size fits all” approach has presented unintended consequences that BRS has recognized and will attempt to address with the newly proposed Hybrid Model.

Upon review of the current RBF Model, BRS has identified several key areas that need to be addressed in the new model:

- A need to ensure that a full menu of Vocational Rehabilitation (VR) services are options for consumers;
- A need to determine services on an individualized basis;
- A need to increase consumer access to assessment/discovery activities;
- A need to better serve individuals with the most significant disability (MSD), specifically through increased access to supported employment services;
- A need to improve the VR Counselor engagement in the employment service process to increase collaboration between consumer, VR, and employment consultant; and
- A need to determine appropriate rates to ensure reimbursement is appropriate for CRPs.

The purpose of the new model is to address the unintended consequences of the current model by adding flexibility into employment services, eliminating barriers for individuals with the most significant disabilities to receive appropriate services, and to ensure that employment plans are



tailored to the unique needs of each consumer served. BRS is attempting to move employment services from a system-centric approach to a more consumer-centric approach.

WORKGROUP DEVELOPMENT:

BRS recognized the need for stakeholder input and asked INARF to create a workgroup to assist in the development of a new employment service model. The workgroup consisted of membership from CRPs (including Community Mental Health Centers), INARF, Indiana Institute on Disability and Community, and the Division of Disability and Rehabilitative Services. In designing the new model, BRS and the workgroup reviewed Indiana’s VR data (fiscal and performance data), other state models, various CRPs’ data, and most importantly consumer needs. In addition, the workgroup worked from a core set of values and principles which included the following:

- Serve persons with varying disabilities, including those with the most significant disabilities;
- Focus on career pathways and development;
- System is individualized, strength-based, and flexible;
- System is responsive at the point of service delivery;
- An unsuccessful outcome does not necessarily result in elimination from services;
- Discovery process directs the employment path/plan/outcome;
- Promote economic self-sufficiency;
- Emphasize participation of the individual’s support network; and
- Recognize the need to support long-term employment outcomes.

In addition, the workgroup recognized the proposed employment service model should accomplish the following:

- Be responsive to all, including individuals with high support needs as well as consumers with minimal support needs;
- Refocus on discovery, especially for individuals with minimal/no prior work experience;
- Ensure that individuals with the most significant disabilities have access to adequate ongoing support services;
- Individuals should reach stabilization, or their highest level of independence, prior to VR case closure;
- Retain a system that focuses on outcomes, but also recognizes quality and individualization;
- Retain a system that is not difficult to administer; and
- Aim to improve the consumer experience.

CURRENT RBF MODEL:

The current model requires the VR Counselor to determine whether a consumer is considered a “Tier 1” or “Tier 2” consumer prior to the start of his/her employment services. Tier 1 individuals consist of those individuals with the most significant disabilities and employment services are paid at a higher amount. The current rates are as follows:

RBF Milestones	Tier 1 Rate	Tier 2 Rate
Milestone 1: Plan for	\$1080	\$540

Employment and Supports		
Milestone 2: 5 th Day of Placement	\$1080	\$810
Milestone 3: Four-Week Placement	\$1677.60	\$1192.5
Milestone 4: Eligibility for Case Closure	\$3600	\$2340

Job Placement Hourly Service Rate: \$34.00

PROPOSED HYBRID MODEL:

The proposed Hybrid Model continues to use three core milestones common for all employment services: 1) Placement, 2) Short-Term Retention (30 days), and 3) Retention (minimum 90 days after consumer is stable). In addition, it has replaced RBF Milestone 1 with specific VR discovery and assessment services that are billed outside of the model to address consumer’s individualized needs. The Hybrid Model also increases access to appropriate supported employment services, including ongoing support services. The following are identified strengths with the Hybrid model:

- Re-emphasizes the importance of discovery/assessment for consumers. This allows for customization and flexibility for each consumer based on level of need.
- Sets specific payment structure for Supported Employment Services by moving these services *outside* of the milestone payments. This again allows for customization and flexibility for each consumer based on the level of need. This idea provides for better assurance that fading occurs and that individuals with the most significant disabilities reach true stabilization *before* their case is closed.
- Moves to a 1-tiered approach and eliminates the confusion with assigning consumer to either Tier 1 or Tier 2 often prematurely.¹
- Reduces the incentive to move quickly to a milestone payment too early.
- Requires more engagement from the VR Counselor to provide appropriate counseling and guidance and to be collaborative with employment specialists and consumers in determining appropriate services.

RATES FOR THE HYBRID MODEL:

Employment Service Activity	Rate
Discovery/Assessment Activities	Activities and costs will vary based on individual need. Standard Hourly Rate: \$40.00/hour
Core Employment Milestones: 1) Milestone 1 Placement (5 days)	M1 = \$1300

¹ It is important to note that VR Counselors are still required to make severity determinations.

2) Milestone 2 Short-Term Retention (30 days)	M2 = \$1500
3) Milestone 3 Retention (90 days post stabilization)	M3 = \$1300
	Total Employment Milestones = \$4100
Supported Employment Services	Monthly rate based on number of Supported Employment hours. <i>SEE CHART BELOW</i>

DISCOVERY/ASSESSMENT:

The employment services process begins with appropriate Discovery/Assessment. This important step will be individualized based on a consumer’s needs. These services are key in identifying an appropriate employment goal, the nature and scope of services needed to reach the goal, and preparation for the achievement of the goal. The discovery process is individualized and may including a wide range of services, including, but not limited to:

- Vocational assessments;
- Community-Based Work Evaluations (CBEs);
- Job Shadows;
- Job Trials or Job Shadows;
- Review of local job market;
- Review of work history and transferable skills;
- Work Experience;
- Job Readiness activities (i.e., learning appropriate work behaviors);
- Social skills Training or Soft Skills training; and
- Other activities to assess unique strength, interests, and abilities

CORE EMPLOYMENT MILESTONES:

A referral to employment services may occur after the employment goal and nature and scope of services are identified, any applicable preparation or training is completed and individual is ready to begin job development. As mentioned above, the core employment milestones include: 1) placement, 2) Short-Term Retention, and 3) Retention.

SUPPORTED EMPLOYMENT SERVICES:

Supported Employment Services (SE), including ongoing support services and other services necessary to support and maintain an individual with a most significant disability (MSD) in supported employment may be provided by VR for up to 18 months (or longer if extenuating circumstances). Stabilization and ongoing support services will no longer be part of the core milestone reimbursement payments; these payments will be funded at a monthly rate based on the number of SE hours provided each month (*see table below*). An ‘Ongoing Support and Fading Plan’ will be required to outline the specific support needs to be provided. The plan will likely include the information regarding the specific activities/strategies used to increase consumer independence, natural supports that will be explored, goals for fading and achievement of stabilization,

identification of extended services needs and options for obtaining extended services, and other relevant information. Fading of employment supports occurs before the identification of stabilization and transition to extended services as appropriate. VR Counselor engagement is important during this process. The ‘Ongoing Support and Fading Plan’ will be updated at regular intervals.

The total SE costs for each consumer will vary greatly depending on need.

*Please see Attachment A Supported Employment Model.

SE Hours Per Month	Rate
1-5	\$176
6-10	\$352
11-15	\$528
16-20	\$720
21-25	\$920
26+	\$1040

OVERALL COSTS:

The workgroup reviewed sample cases to better understand the cost involved. The costs for Supported Employment cases ranged from \$7300 to \$9400, with an average per case cost of \$8500.

- o The Discovery costs ranged from \$1000 to \$2400 per individual.
- o RBF cost was \$4200
- o SE Services (ongoing support services) ranged from \$1700 to \$3600 per individual

EMPLOYMENT SERVICES WORKFLOW:

Below is a step-by-step overview of the employment service process:

1. Start with Discovery; discovery is necessary for all individuals (SE or non-SE) though specific activities and scope and duration of activities will vary
2. Determination as to whether the individual is ready to begin job development.
 - YES → referral to employment service core milestones
 - NO → what additional discovery is necessary?
3. Referral to employment services under the Hybrid Model

4. Obtain employment in line with Individualized Plan for Employment (IPE) goal; if employment is not obtained identify whether there are additional job readiness activities necessary
5. Milestone 1, 5 days Employment is achieved
6. Milestone 2, 30-days Employment is achieved
7. For SE cases, an 'Ongoing Support and Fading Plan' is developed
8. After placement, ongoing support services and other appropriate SE services are provided by VR for individuals with MSD, and may continue for up to 18 months.
9. For SE Cases, the 'Ongoing Support and Fading Plan' is reviewed and revised as necessary
10. Stabilization is achieved (the point in time where the consumer has reached his/her highest level of independence on the job)
11. Milestone 3, Retention is achieved (individual has maintained employment 90 days, or for SE, 90 days after reaching stabilization)

NEXT STEPS:

- Public comments due **Friday November 7, 2014** to Theresa.Koleszar@fssa.in.gov
- Model will be finalized by the end of November 2014.
- Implementation of the model, including training and cross-training will occur in spring 2015.
- Model will be implemented by July 1, 2015.

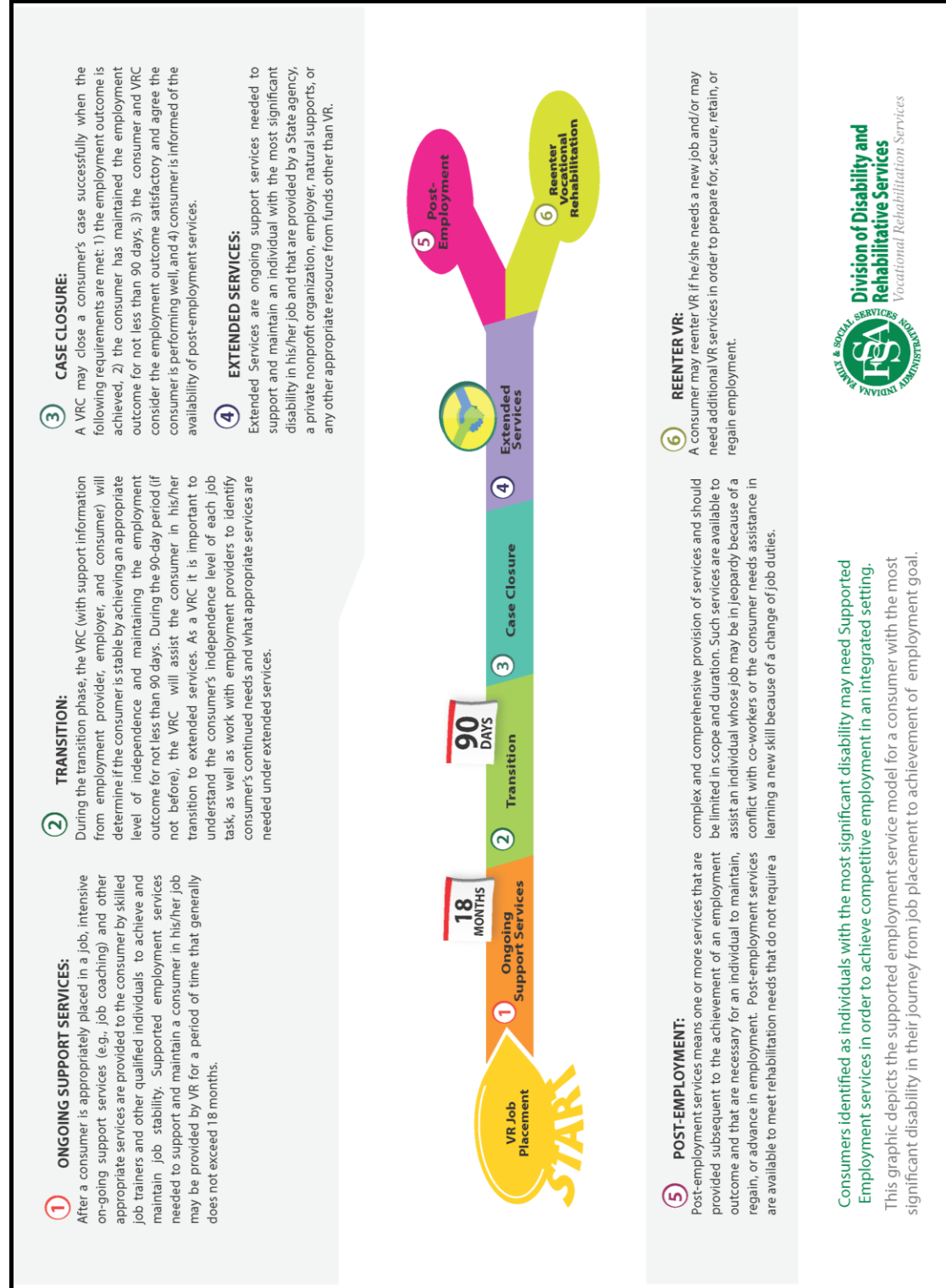
Please note that BRS has supplemented this document with a webinar that can be accessed by clicking this link: <http://webinar.isl.in.gov/p5qav4t9wxf/>.

Thank you all for your time in reviewing the proposed model and providing feedback.

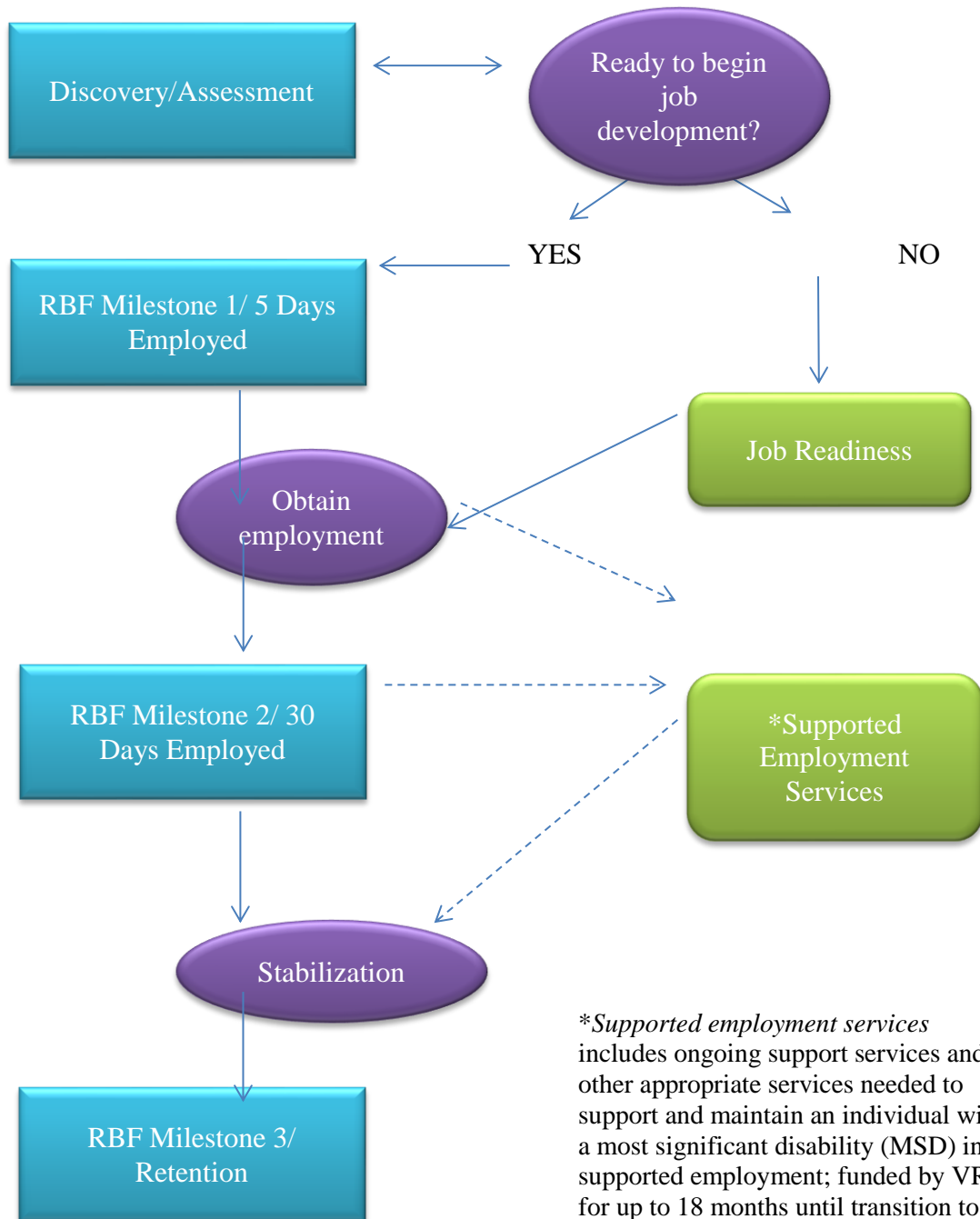
Kylee Hope, Director of BRS

Theresa Koleszar, Director of Program Supports

Attachment A:



VRS Employment Services Flow Chart



**Supported employment services includes ongoing support services and other appropriate services needed to support and maintain an individual with a most significant disability (MSD) in supported employment; funded by VRS for up to 18 months until transition to extended services.*