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State of Indiana

*Division of Disability and Rehabilitative Services*  
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To: General Public  
Re: Final Vocational Rehabilitation Employment Services Rate Changes  
From: Kylee Hope, Director, Bureau of Rehabilitation Services  
Date: January, 27, 2014

The Bureau of Rehabilitation Services (BRS) appreciates the public's review and feedback of the proposed employment service model for Vocational Rehabilitation (VR). Based on the public comments received, the BRS adjusted the hourly rate, expanded the supported employment payment points, and provided additional clarification with respect to employment services.

**BACKGROUND and PURPOSE:**

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 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 (DDRS). 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 who are likely to need ongoing, intensive intervention to get and keep a job. The current rates for both Tier 1 and Tier 2 are as follows:

RBF Milestones	Tier 1 Rate	Tier 2 Rate
Milestone 1: Plan for Employment and Supports	\$1080	\$540
Milestone 2: 5 <sup>th</sup> Day of Placement	\$1080	\$810
Milestone 3: Four-Week Placement	\$1677.60	\$1192.5
Milestone 4: Eligibility for Case Closure	\$3600	\$2340

Job Placement and Supported Employment hourly services are currently paid at a rate = \$34.00/hour.

**PROPOSED HYBRID MODEL:**

The proposed Hybrid Model continues to use three core milestones common for all employment services: 1) Placement, 2) Short-Term Retention (4 Weeks), and 3) Retention (minimum 90 days after consumer has achieved stabilization). In addition it has replaced RBF Milestone 1, Plan for Employment Supports, with specific VR discovery services and activities, billed outside of and in addition to the milestones 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 for VR consumers. This allows for customization and flexibility for each consumer based on level of need.
- Sets a 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 consumers to either Tier 1 or Tier 2 often prematurely.<sup>1</sup>
- Reduces the incentive to move quickly to a milestone payment too early (i.e. movement to stabilization and retention before consumer has truly achieved stabilization).
- Requires more engagement from the VR Counselor to provide appropriate counseling and guidance and to collaborate with employment specialists and consumers in determining appropriate services.

**FINAL RATES FOR THE HYBRID MODEL:**

Employment Service Activity	Rate
Discovery/Assessment Activities	Activities and costs will vary based on individual need. Standard Hourly Rate: \$42.00
Core Employment Milestones:	
1) Milestone 1 Placement (1 WEEK)	M1 = \$1300
2) Milestone 2 Short-Term Retention (4 WEEKS)	M2 = \$1500
3) Milestone 3 Retention (90 days post stabilization)	M3 = \$1300
	<b>Total Hybrid Milestone payment = \$4100</b>
Supported Employment Services	Monthly rate based on number of Supported Employment hours needed for the consumer to achieve stabilization. <i>SEE TABLE 1 BELOW</i>

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

### DISCOVERY:

The employment services process begins with appropriate Discovery. This important step will be individualized based on each consumers' 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 and activities, including, but not limited to:

- Formal vocational assessments;
- Community-Based Work Evaluations (CBEs);
- Job Shadowing;
- Review of local job market;
- Review of work history and transferable skills;
- Work Experience;
- Job Readiness Training (i.e., learning appropriate work behaviors, Social skills Training , Soft Skills training, etc.)
- Other activities to assess unique strengths, interests, and abilities
- VR Counseling and Guidance

### 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 the individual is ready to begin job development. As mentioned above, the core employment milestones include: 1) Placement, 2) Short-Term Retention, and 3) Retention. These Core Employment Milestones replace the current RBF Tier 1 AND RBF Tier 2 payment structures. The Core Employment milestone payment structure will be utilized for any individual, including individuals who require Supported Employment Services, who need assistance with job placement and retention. Please see workflow on the next page for further explanation.

### 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 1*), and are funded in addition to the Core Milestone Payments. Please see workflow on the next page for further explanation. An 'Ongoing Support and Fading Plan' will be required to outline the specific support needs to be provided. The plan will likely include 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.

Table 1

SE Hours Per Month	Rate
1-5	\$176
6-10	\$352
11-15	\$528
16-20	\$720
21-25	\$920
26-30	\$1120
30+	\$42 hourly rate

**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 based on individual need
2. Determination as to whether the individual is ready to begin job development  
*YES → referral to employment services to begin job placement activities*  
*NO → what additional discovery is necessary before job placement activities begin?*
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 and/or consider modifications to employment goal or strategies to achieving goal
5. Milestone 1, 1 Week of Employment is achieved
6. Milestone 2, 4 Weeks of Employment is achieved
7. For SE cases, an ‘Ongoing Support and Fading Plan’ is developed
8. For individuals needing supported employment services: after placement, ongoing support services and other appropriate SE services are provided by VR, and may continue for up to 18 months.
  - Typically, SE services will begin after achievement of Milestone 2 (4 Weeks of Employment); however SE services may begin earlier if the consumer has a high level of need. A high level of need in this circumstance is defined as requiring more than 35 hours of support during the first 4 weeks on the job. Hours over the 35 hour ‘trigger’ during the first 4 weeks may be funded through the SE payment structure.
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)

\*Please see Attachment B for Employment Services Flow Chart

**\*TENTATIVE\* IMPLEMENTATION TIMELINE**

Below is a tentative training and implementation timeline for these changes and may be subject to change. The rate reform workgroup continues its work on this project to assist BRS in its implementation across the state.

**By April 30, 2015** – The workgroup will finalize the training plan, materials, and service definitions.

**May/June 2015** – Joint Training on the new employment services system will occur across the State.

**By July 1, 2015** – Implementation of the new employment services hybrid system.

Thank you all for your time in reviewing the proposed model and providing feedback. The Rate Reform Workgroup continues to meet to develop training materials, create new forms/templates and other necessary documentation, and define the menu of Discovery services and activities.

Kylee Hope, Director of BRS

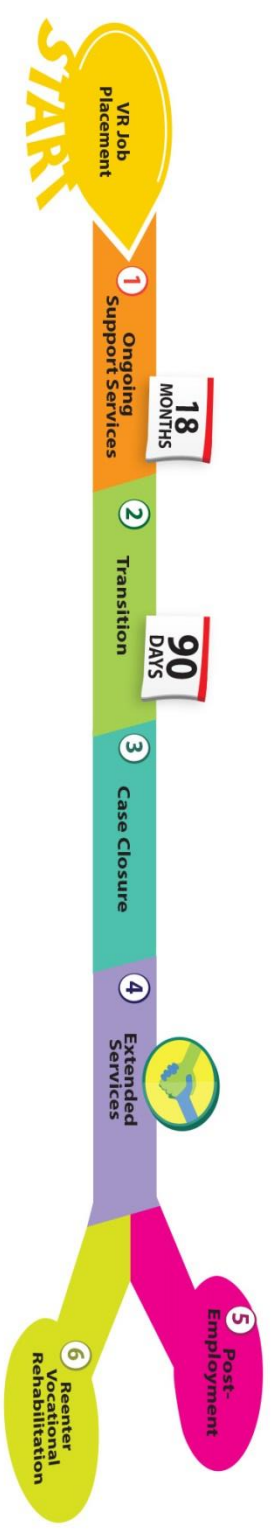
Theresa Koleszar, Director of Program Supports

**1 ONGOING SUPPORT SERVICES:**  
 After the consumer is appropriately placed in a job, intensive on-going support services (e.g., job coaching) and other appropriate services are provided to the consumer by skilled job trainers and other qualified individuals to achieve and maintain job stability. Supported employment services needed to support and maintain a consumer in his/her job may be provided by VR for a period of time that generally does not exceed 18 months.

**2 TRANSITION:**  
 When the determination is made by the VRC (with support information from the employment provider, employer, and the consumer) that the consumer has become stable in his/her job, the VRC will need to confirm that the consumer has maintained the employment outcome for not less than 90 days to ensure stability and independence on the job. During the 90-day period (if not before), the VRC in coordination with the employment provider and consumer will assist the consumer in his/her transition to extended services. As a VRC it is important to understand the consumer's independence level of each job task, as well as work with employment providers to identify consumer's continued needs and what appropriate services are needed under extended services.

**3 CASE CLOSURE:**  
 A VRC may close the consumer's case successful when the following occurs: a) the employment outcome is achieved, b) consumer and VRC consider the employment outcome satisfactory and agree the consumer is performing well, and c) consumer is informed of the availability of post-employment services.

**4 EXTENDED SERVICES:**  
 Extended Services are ongoing support services needed to support and maintain an individual with the most significant disability in his/her job and that are provided by a State agency, a private nonprofit organization, employer, natural supports, or any other appropriate resource from funds other than VR.



**5 POST-EMPLOYMENT:**  
 Post-employment services means one or more services that are provided subsequent to the achievement of an employment outcome and that are necessary for an individual to maintain, regain, or advance in employment. Post-employment services are available to meet rehabilitation needs that do not require a

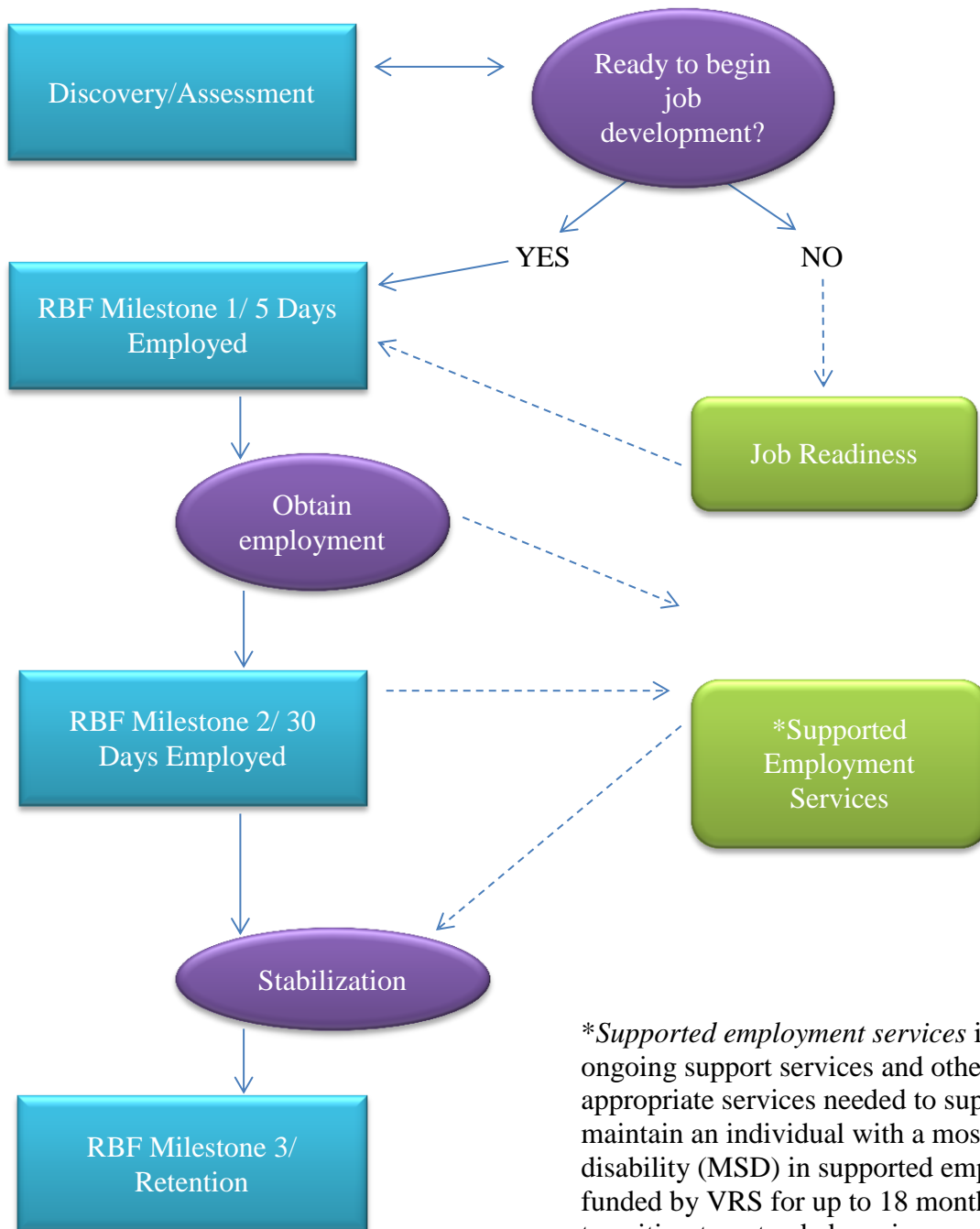
complex and comprehensive provision of services and should be limited in scope and duration. Such services are available to assist an individual whose job may be in jeopardy because of a conflict with co-workers or the consumer needs assistance in learning a new skill because of a change of job duties.

**6 REENTER VR:**  
 A consumer may reenter VR if he/she needs a new job and/or may need additional VR services in order to prepare for, secure, retain, or regain employment.

Consumers identified as individuals with the most significant disability may need Supported Employment services in order to achieve competitive employment in an integrated setting. This graphic depicts the supported employment service model for a consumer with the most significant disability in their journey from job placement to achievement of employment goal.



# 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.*