



Bureau of Rehabilitation Services Update Order of Selection July 2022

HEA-1488 outlines a timeline of July 31 for the Division of Disability and Rehabilitative Services to annually assess Vocational Rehabilitation's available staffing and fiscal resources, the achievement of benchmarks in a plan to provide the full range of needed services to all eligible individuals, and address requirements set forth in 34 CFR 361.36.

A. Available staffing and fiscal resources.

Based on data from June of 2022, of 187 VR counselor positions, 18 (10%) were in trainee status¹, and 12 (6%) were vacant. This means that 16% of VR counselor positions were either vacant or filled with new staff who were in training at the time of this report. This implies that staff retention rates are slightly reduced compared to the prior two years (9% turnover in SFY20 and 8% in SFY21), however retention is still vastly improved from historical trends which peaked at over 50% turnover in 2016 and gradually reduced to approximately 22% in 2019. We are hopeful that the new employee policies launched a few months ago, including added flexibility for remote work, will support improved staff retention back to SFY20-21 levels.

Newly hired staff remain in trainee status for at least nine months, and during this time they receive training and do not independently work a caseload. All of their work, including eligibility and priority category determination, developing service plans and authorizing services, must be reviewed and approved by a supervisor. Securing sufficient qualified candidates to fill current vacant positions is still a challenge, however the number of open VR counselor positions each year has decreased which mitigates this challenge, as long as retention remains high.

Available state match for VR operations in the current federal fiscal year is approximately \$16 million, which allows VR to draw approximately \$59 million in federal funds. VR is required to shift 15% of all federal VR dollars to Pre-Employment Transition Services for students with disabilities to comply with the federal earmark requirement. After funds are shifted to Pre-ETS, a budget of approximately \$66 million (state and federal) is estimated to be available for VR operations, which is comparable to the annual VR budget in recent years.

An order of selection was implemented August 2017 due to insufficient staffing and fiscal resources to provide the full range of VR services to all eligible individuals. The order of selection provides a

¹ VR Counselor Trainees are new staff in training and are not working a caseload independently.

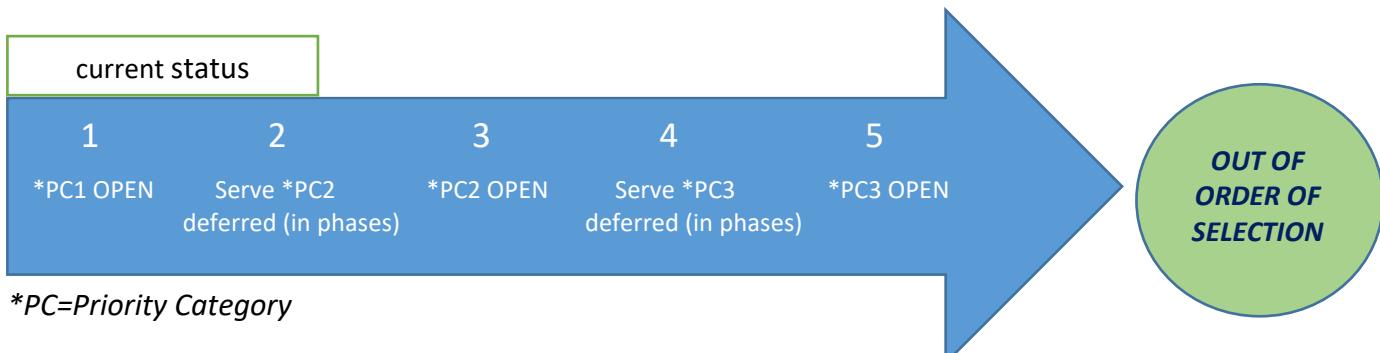
mechanism to prioritize services to eligible individuals with the most significant disabilities (categorized as “MSD”) as required by the Rehabilitation Act. The order of selection remains in effect as approved by the U.S. Department of Education, Rehabilitation Services Administration. Eligible individuals who do not meet criteria as individuals with an MSD are deferred for services and placed on a waitlist.

B. The achievement of benchmarks in a plan to provide the full range of needed services to all eligible individuals.

The ability to progress through all the required steps toward moving out of the order of selection, including serving individuals deferred for services in order of priority and application date, is dependent on the availability of sufficient staffing and fiscal resources. Over the last few years, VR implemented strategies to build capacity. These include gaining operational and fiscal efficiencies through technology system modernization, identification of blended funding opportunities with the Department of Workforce Development to carry out Pre-ETS through the Jobs for America’s Graduates program, and comprehensive review of current policies and rules to identify cost savings. Savings realized from system modernization were redirected to support a salary increase for VR counselors in October 2019. Significant gains have been realized regarding VR staff capacity; however, recruitment of qualified applicants continues to be a challenge. Additionally, several VR employment service providers experience staff capacity challenges with recruitment and retention of staff, which has been exacerbated since the onset of the COVID-19 pandemic.

During SFY22, VR submitted a proposal to the State Budget Agency, which included several strategies to work toward ending the order of selection. Strategies of note included rate increases for VR employment service providers to support increased provider capacity, and the addition of 13 VR staff positions to support serving increased participants while maintaining manageable VR Counselor caseload sizes. Rate adjustments went into effect April 1, 2022, and VR is in process of recruiting candidates for the 13 new positions. Both of these strategies will be helpful in building capacity to serve individuals as they are released from the waitlist.

The graphic below outlines the sequential steps that must be followed in serving individuals in delayed services status, in order of priority and application date as outlined in the VR section of the Workforce Innovation and Opportunity Act state plan as approved by the Rehabilitation Services Administration. An order of selection must be implemented on a statewide basis, in accordance with the Rehabilitation Act.



Step 1:

Since the implementation of the order of selection in 2017, all eligible individuals assigned to priority category 1 have continued to receive VR services with no waiting period. In SFY22, this represented

approximately 90% of VR-eligible individuals.

Step 2:

Step 2 represents VR's current status as of July 1, 2022. VR has continued to monitor its capacity to serve eligible individuals deferred for services (in delayed services status) who are assigned to priority category 2. These individuals must be served in order of application date and are being released from delayed status in several phases. It is important to understand that disability priority category 2 remains "closed" until all eligible individuals deferred for services in priority category 2 are served. This means that during step 2, newly eligible individuals assigned to priority category 2 continue to experience a waiting period.

To date, VR has completed six phases of releasing individuals in priority category 2 from delayed status, with the most recent release occurring July 1, 2022. Through these releases, VR services have been offered to approximately 1,650 individuals who were in delayed status. One additional release is planned before the end of the current calendar year, pending resource availability. Through the first five releases, which occurred between February 2020 and April 2022, about 3% of individuals released from delayed status have received services and exited VR with employment, another 22% are currently receiving services, 21% of individuals declined services, 42% were unable to be located after multiple contact attempts, while 12% were closed for other reasons (e.g., no longer present in state, no longer seeking competitive integrated employment, etc.).

Step 3:

Once all eligible individuals in priority category 2 who were deferred for services have been released from delayed status, VR will determine whether fiscal and staffing resources are adequate to progress to step 3, which is 'opening' priority category 2 for newly eligible individuals. Once a priority category is "open," there is no waiting period for services for individuals assigned to that category.

Step 4:

The process outlined in Step 2 is repeated for individuals in deferred status in priority category 3. This again will occur over several phases.

Step 5:

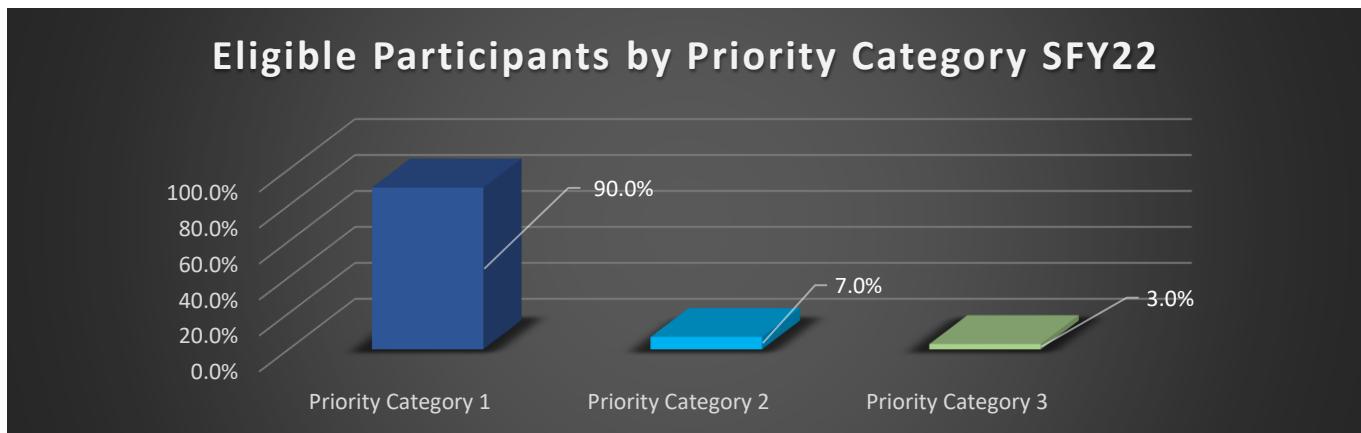
The process outlined in Step 3 is repeated for priority category 3. Once all disability service priority categories are "open," VR moves out of the order of selection.

C. Meeting the requirements set forth in 34 CFR 361.36 to provide services to all eligible individuals.

In SFY22, approximately 90% of VR eligible individuals met criteria for service priority category 1 and were prioritized to receive services.

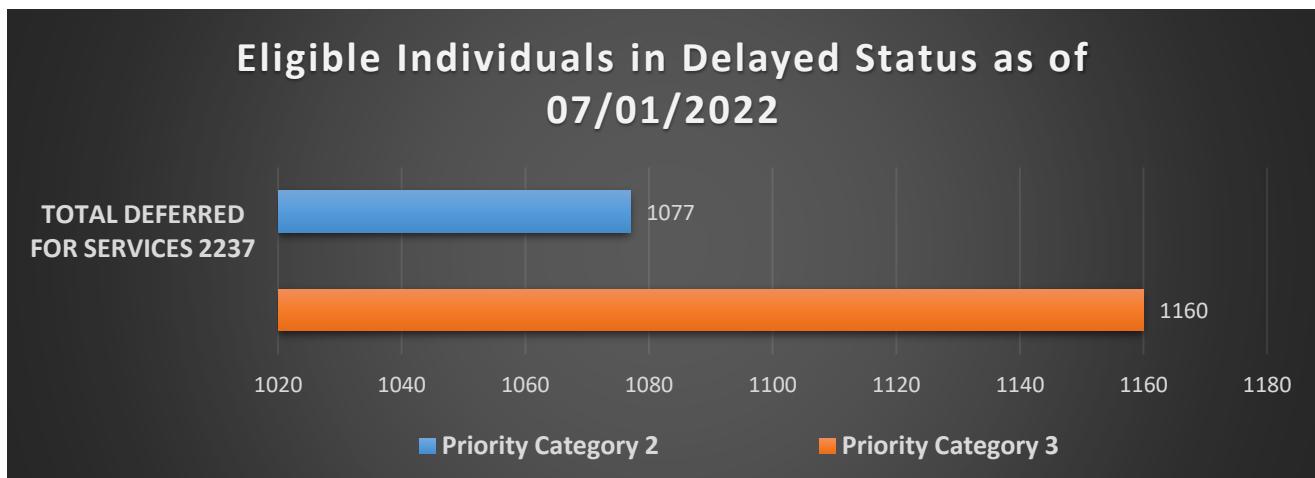
The VR program continues to operate under an order of selection in accordance with 34 CFR 361.36 and the approved WIOA State Plan. Under the order of selection, VR eligible individuals with an MSD are assigned to service priority category 1 and are prioritized for services and served without delay. In SFY22, the majority (90%) of eligible individuals met criteria for service priority category 1 and were prioritized to receive services. Eligible individuals who did not meet criteria for service priority category

1, were assigned to priority category 2 (7%) or priority category 3 (3%), depending on the level of severity of their disability(ies). Priority category 2 and 3 are ‘closed’ categories, meaning that individuals assigned to these categories are placed in delayed status and experience a waiting period for services.



In the last completed state fiscal year, VR provided services to 12,145 eligible individuals, while 415 eligible individuals were deferred for VR services. Additionally, VR served over 5,000 students through Pre-ETS during SFY22.

At the time of this report, the order of selection has been implemented for almost five years. As of July 1, 2022, there are 2,237 eligible individuals in delayed status. Of those, 1,077 (48%) are assigned to priority category 2, and 1,160 (52%) are assigned to priority category 3.



D. The division shall report to the commission on rehabilitation services under IC 12-12-2 and the task force established under IC 12-11-15.5 concerning the division's assessment under subsection (d).

BRS will review this update with the Commission on Rehabilitation Services at the next scheduled meeting in September 2022. VR will also share this update with the Task Force for Assessment of Services and Supports for People with Intellectual and Developmental Disabilities at the next scheduled meeting.