



Indiana
**VOCATIONAL
REHABILITATION**
Empowering People. Changing Lives.

Bureau of Rehabilitation Services Update Order of Selection July 2023

HEA-1488 outlines an annual deadline 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.

There is an increase in total VR Counselor positions from the prior year, with 200 current VR Counselor positions compared to 187 in the prior year. Based on data from June of 2023, of 200 VR counselor positions, 22 (11%) were in trainee status¹, and 9 (4.5%) were vacant. This means that 15.5% of VR counselor positions were either vacant or filled with new staff who were in training at the time of this report. This may appear that staff retention rates are slightly reduced compared to the prior two years (9% turnover in SFY20 and 8% in SFY21), however a large contributing factor to the number of vacancies and new hires or Trainees is the recent addition of 13 new VR Counselor positions during SFY23. Nevertheless, retention of VR Counselors is vastly improved from historical trends which peaked at over 50% turnover in 2016 and gradually reduced to approximately 22% in 2019 and has ranged from 8-16% over the past three years.

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 vacant positions has historically remained a challenge, however the volume and quality of candidates has notably improved since the state employee compensation adjustment in late 2022.

Available state match for VR operations in SFY23 was approximately \$16 million, which allowed 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) was available for VR operations during SFY23, which is comparable to the annual VR budget in recent years.

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

The VR program, like many agencies, received an increase in state reallocation for SFY24 which will increase the VR budget to support increased personnel costs resulting from the statewide compensation adjustment. The SFY24 estimated budget includes approximately \$17 million in state match funding, and \$63 million in federal funds, for a total estimated VR budget of \$70.5 million after the required 15% of funds are shifted to the Pre-ETS earmark.

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 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. Since August 2017, eligible individuals who do not meet criteria as individuals with an MSD have been deferred for services and placed on a wait list.

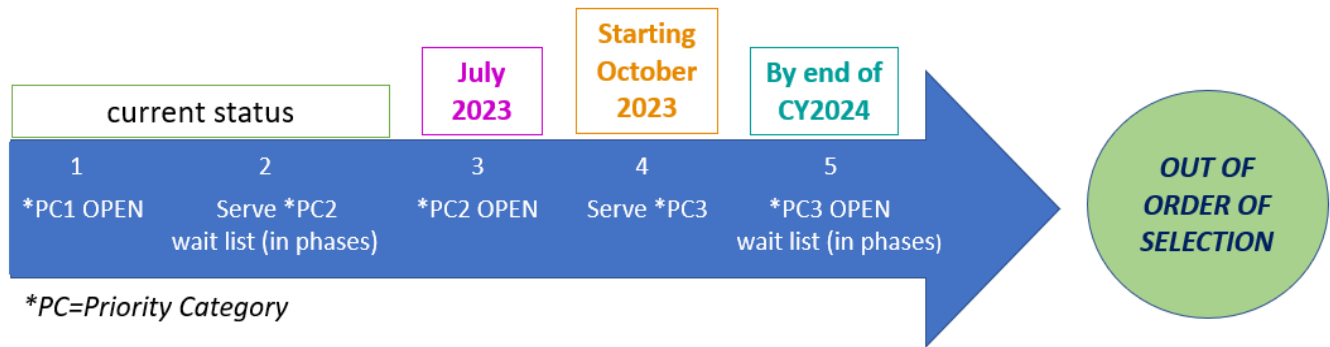
B. The achievement of benchmarks in a plan to provide the full range of needed services to all eligible individuals.

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 several years, VR implemented numerous 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, streamlining training and onboarding of new staff, and increasing opportunities for staff recognition and professional development. Savings realized from system modernization were redirected to support a salary increase for VR counselors in October 2019. The statewide employee compensation adjustments implemented in Fall 2022 further enhanced the ability to recruit and retain VR staff.

Significant gains have been realized regarding internal VR staff capacity; however, several VR employment service providers have experienced reduced capacity due to challenges with recruitment and retention of staff, which has exacerbated since the onset of the COVID-19 pandemic.

During SFY22 VR submitted a proposal to the State Budget Agency, outlining 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 new VR staff positions to support serving increased participants while maintaining manageable VR Counselor caseload sizes. Rate adjustments went into effect April 1, 2022, and new VR staff positions were filled during SFY23. While not a full solution to addressing capacity challenges, these strategies are helpful in building capacity to serve individuals as they are released from the wait list.

The graphic below outlines the sequential steps that must be followed in serving individuals deferred for VR services, 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 SFY23, this represented 92% of VR-eligible individuals.

Step 2:

Step 2 represents VR's status between August 1, 2017 – July 4, 2023. 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 have been released from the wait list over 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 continued to experience a waiting period.

To date, VR has completed ten phases of releasing individuals in priority category 2 from the wait list, with the most recent release occurring July 5, 2023. Through these releases, VR services have been offered to over 3,200 eligible individuals who were deferred for services. Outcomes of these releases reflect 26% of individuals served or in services with 16% of those achieving employment or exiting with employment; 20% of individuals declined services; 40% were unable to be located after multiple contact attempts; 12% were closed for other reasons (e.g., no longer present in state, no longer seeking competitive integrated employment, etc.); and contact attempts continue with the remaining 2%.

The July 2023 release was significant in that it was the final release for priority category 2, resulting in no further wait list for eligible individuals assigned to this category. As of July 5, 2023, there is no longer a priority category 2 wait list (see Step 3).

Step 3:

Once all eligible individuals in priority category 2 who were deferred for services were released from the wait list, VR determined that fiscal and staffing resources were adequate to progress to step 3, which is ‘opening’ priority category 2 for newly eligible individuals. Priority category 2 was “opened” on July 5, 2023, meaning there will be no waiting period for services for newly eligible individuals assigned to this category. Priority categories 1 and 2 are now both ‘open,’ while priority category 3 remains ‘closed.’

Step 4:

Eligible individuals assigned to priority category 3 must be served in order of application date and will be released from the wait list in several phases, pending available resources and capacity. VR anticipates the first phased release to occur in October 2023, pending resource availability. It is important to understand that disability priority category 3 remains “closed” until all eligible individuals deferred for

services in priority category 3 are moved off the wait list. This means that during step 4, newly eligible individuals assigned to priority category 3 continue to experience a waiting period.

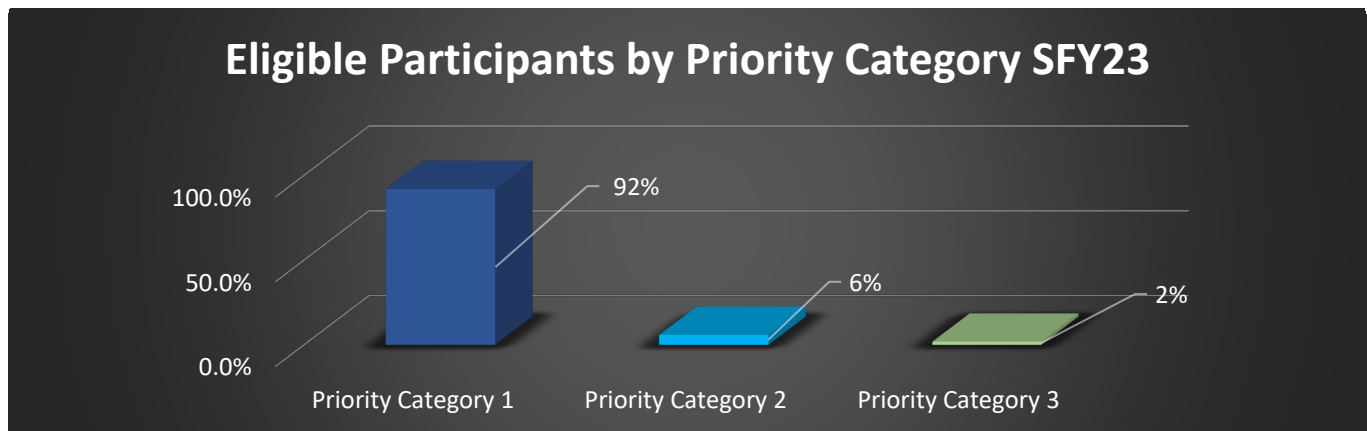
Step 5:

Once all eligible individuals in priority category 3 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 5, which is ‘opening’ priority category 3 for newly eligible individuals. Once a priority category is “open,” there is no waiting period for services for individuals assigned to that category. Once all disability service priority categories are “open,” VR moves out of the order of selection. VR anticipates completion of step 5 by the end of calendar year 2024, pending resource availability. This will end the order of selection for Indiana VR.

VR anticipates completion of step 5 by the end of calendar year 2024, pending resource availability. This will end the order of selection for Indiana VR.

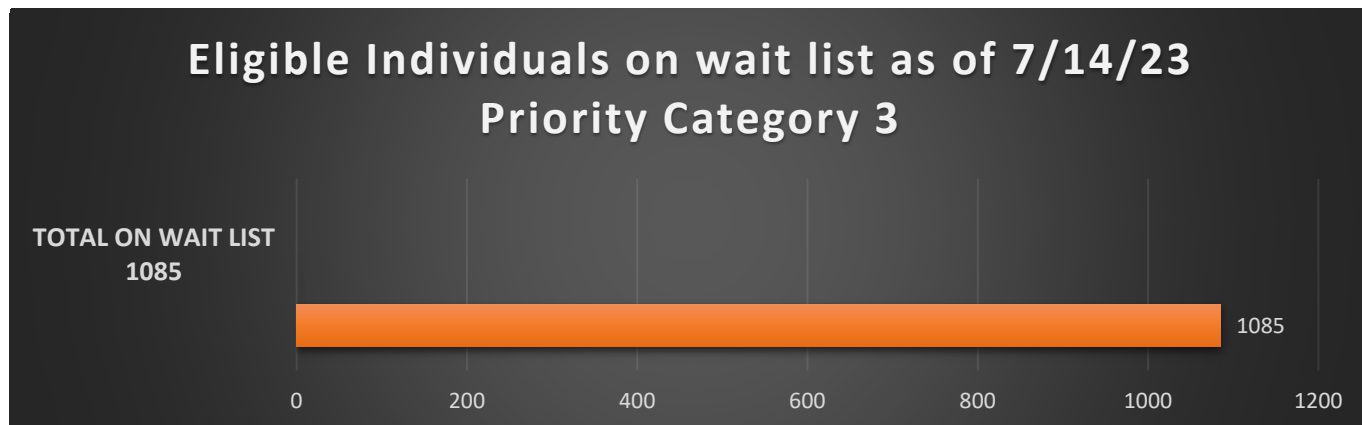
C. Meeting the requirements set forth in 34 CFR 361.36 to provide services to all eligible individuals.

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 SFY23, the majority (92%) 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 (6%) or priority category 3 (2%), depending on the level of severity of their disability(ies). Priority category 2 and 3 were ‘closed’ categories during SFY23, meaning that eligible individuals assigned to these categories experienced a waiting period for services. As noted above, category 2 was ‘opened’ in July 2023, and now only priority category 3 remains ‘closed.’



During the last completed state fiscal year, VR provided services to 12,657 eligible individuals, while 367 eligible individuals were deferred for VR services. Additionally, VR served over 8,000 students through Pre-ETS.

At the time of this report, the order of selection has been implemented for almost six years and 1,085 eligible individuals remain in delayed status (as of July 14, 2023), all of whom 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 2023. 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.