



***Where your future begins***

**STATE PLAN AMENDMENT FOR VOCATIONAL REHABILITATION (VR) SERVICES  
ORDER OF SELECTION PUBLIC MEETING**

**10:00 A.M. (CST), Friday, November 3, 2017  
VOCATIONAL REHABILITATION SERVICES OFFICE  
3901 N. 27<sup>th</sup> Street, Suite 6, Lincoln, NE**

**Attend by videoconference at the following Vocational Rehabilitation Offices**

**Columbus — 3100 23<sup>rd</sup> Street, Suite 5  
Fremont — 827 North D Street  
Grand Island — 203 E. Stolley Park Road, Suite B  
Kearney — 315 W. 60<sup>th</sup> Street, Suite 400  
Norfolk — 1212 Benjamin Ave.  
North Platte — 200 South Silber, Bldg, 2,  
Omaha — 1313 Farnam on the Mall  
Omaha — 12011 Q Street  
Scottsbluff — 505A Broadway, Suite 500**

Nebraska VR is conducting a public meeting on an amendment to the Vocational Rehabilitation State Plan. The public meeting is an opportunity for members of the public, including individuals with disabilities, to comment on the policies and procedures of the VR agency.

The State Plan draft amendment is available for review on the website for Nebraska VR, [vr.nebraska.gov](http://vr.nebraska.gov), and at each Vocational Rehabilitation Office. Interested parties are invited to attend and to make comment. If reasonable accommodations are needed for the public meeting at any of the sites, please contact Vocational Rehabilitation at 402-471-3649 at least five (5) days before the public meeting date.

Interested parties may also submit written comments by e-mail to [victoria.rasmussen@nebraska.gov](mailto:victoria.rasmussen@nebraska.gov) or by mail to:

Victoria Rasmussen, Program Director  
Nebraska VR  
P.O. Box 94987  
Lincoln, NE 68509-4987

Comments received by the close of the public meeting on Friday, November 3, 2017 will be made part of the public meeting record.

***(3) THE NUMBER OF INDIVIDUALS WHO ARE ELIGIBLE FOR VR SERVICES, BUT NOT RECEIVING SUCH SERVICES DUE TO AN ORDER OF SELECTION; AND (4) THE COST OF SERVICES FOR THE NUMBER OF INDIVIDUALS ESTIMATED TO BE ELIGIBLE FOR SERVICES. IF UNDER AN ORDER OF SELECTION, IDENTIFY THE COST OF SERVICES FOR EACH CATEGORY.***

Under the Order of Selection, Nebraska VR will continue to provide services to all individuals who are already receiving services (as of November 3, 2017 or final approval of the Order of Selection by RSA) under an approved Individualized Plan for Employment (IPE). Statewide, Nebraska VR projects that 3,000 individuals will receive services in FFY 2018, and that the projected costs to provide services for these individuals will be approximately \$5,300,000 in FFY 2018.

Category 1: 2,400 individuals with a projected cost of \$4,462,500.

Category 2: 425 individuals with a projected cost of \$637,500.

Category 3: 175 individuals with a projected cost of \$200,000.

***(m) Order of Selection Describe: (1) The order to be followed in selecting eligible individuals to be provided VR services. (2) The justification for the order. (3) The service and outcome goals. (4) The time within which these goals may be achieved for individuals in each priority category within the order. (5) How individuals with the most significant disabilities are selected for services before all other individuals with disabilities; and (6) If the designated State unit has elected to serve eligible individuals, regardless of any established order of selection, who require specific services or equipment to main employment.***

During the last State Plan submission (2016-20), Nebraska VR reported it was able to serve all eligible individuals in the state. At this time, Nebraska VR has determined available and projected resources have changed and will not be adequate to ensure the provision of the full range of vocational rehabilitation services, as appropriate, to all eligible individuals effective November 3, 2017.

Nebraska VR anticipates it will be necessary to close Priority Categories 2 and 3 under the Order of Selection (OOS) described below. All current clients will be notified in writing of all the priority categories, his/her assignment to a priority category, if priority category is open or closed, individual's priority assignment can be re-evaluated when new or additional information becomes available affecting the individual's functional limitation, his/her right to appeal the category assignment through informal or formal review and of the availability of assistance from the Client Assistance Program.

New clients determined eligible and assigned to a closed priority category on or after November 3, 2017, will be placed on a waiting list until the resources are available to provide the full range of services. However, services will continue for all clients who are already receiving services under an approved Individualized Plan for Employment prior to November 3, 2017.

Priority Category 1 (Individuals with Most Significant Disabilities) will be served first;

Priority Category 2 (Individuals with Significant Disabilities) will be served second; and

Priority Category 3 (Individuals with Non-Significant Disabilities) will be served third.

Descriptions of Priority categories:

- Priority Category 1: Clients determined to have a most significant disability. These are clients with severe physical or mental impairments that seriously limit two (2) or more functional capacities and who require multiple services over an extended period of time.
- Priority Category 2: Clients determined to have a significant disability. These are clients with severe physical or mental impairments that seriously limit one (1) or more functional capacities and who require multiple VR services over an extended period of time.
- Priority Category 3: Clients determined to have a non-significant disability. All other VR eligible clients.

The Order of Selection shall not be based on any other factors, including:

- Any duration of residency requirement, provided the individual is present in the State;
- Type of disability;
- Age, gender, race, color or national origin;
- Source of referral;
- Type of expected employment outcome;
- The need for specific services or anticipated cost of services required by an individual; or
- The income level of an individual or an individual's family.

#### B. THE JUSTIFICATION FOR THE ORDER.

##### 1. Required 15% for Pre-Employment Transition Services

The Workforce Innovation and Opportunity Act (WIOA) of 2014 mandated State VR Agencies to set aside 15% of VR funds each year (approximately \$2.5 million) for Pre-Employment Transition Services. Previous to WIOA, Nebraska VR was spending approximately \$230,371 on pre-employment transition services (Pre-ETS). This new fiscal requirement placed an additional burden on expenditures in all other areas of operating the VR Program. The Pre-ETS expenditures are:

FFY 2015: \$230,731

FFY 2016: \$2,538,994

FFY 2017: \$2,376,036

##### 2. Reduction in Federal Funds

The amount of federal funds received by Nebraska VR since 2015 has decreased, as shown below. In federal fiscal year 2017 Nebraska VR was not re-allotted federal funds at the MOE level, resulting in a \$1,300,000 reduction in anticipated federal funds. Our projected FY 2018 Title I federal grant funds of \$16,377,033 and matching non-federal funds of approximately \$4,690,697 for basic vocational rehabilitation services will not be sufficient to cover the cost of services mandated under WIOA and required to be provided to individuals who are eligible for planned services.

FFY 2015	\$17,139,610
FFY 2016	\$16,926,628
FFY 2017	\$15,840,244

### 3. Increase in Personnel and Case Service Expenditures

Since federal fiscal year 2015, Nebraska VR has experienced an increase in expenditures, many as a result of the mandates in WIOA. Personnel increases included:

- Referrals to the program have increased tremendously due to an increased focus on pre-employment transition services:
  - FFY 2015 4,306
  - FFY 2016 7,262
  - FFY 2017 11,319
- Additional vocational rehabilitation specialists hired to provide pre-employment transition services;
- Business account managers hired to increase outreach to employers statewide; and
- Increase in salaries for staff who were below 33% of the comparable labor market to address staff retention issues.

FFY 2015:	\$23,154,010
FFY 2016:	\$24,789,965
FFY 2017:	\$25,323,491 estimate

### 4. Reduction in Carryover Funds Available

To date, Nebraska VR but has been able to cover the increase in expenditures with its Federal and State appropriation and by utilizing carryover funds from the previous fiscal year. However, as expenditures increased, federal funds decreased, and funds were shifted to cover the required 15% of Pre-Employment Transition Services, the amount of carryover funds for planned services has been reduced.

FFY 2015	\$4,163,646
FFY 2016	\$2,622,004
FFY 2017	\$2,303,037 estimate

At the close of FFY 2017, Nebraska VR estimates any remaining FFY 2017 carryover funds (\$2,303,037 estimate) will be restricted for Pre-Employment Transition Services only and not available for planned services.

#### 5. Increase in Nebraska Department of Education Indirect Cost Rate

NDE has received a new Indirect Cost Rate Agreement effective July 1, 2017 with the U.S. Department of Education. The agreement is for the period July 1, 2017 through June 30, 2020. The new unrestricted Indirect Cost Rate is 13.00%. This is approximately 50% increase from the previous indirect cost rate and is estimated to increase the charge to VR by \$558,000 in FFY 2018.

Nebraska's combined available funds in FY2018 are projected to be only \$21,067,730 million. Projected expenditures of \$25,800,00 (at last year's pace) would leave a deficit of approximately \$4,732,270. As a result, Nebraska VR will be unable to provide the full range of services to all eligible individuals for FFY 2018 and needs to implement an Order of Selection as soon as possible.

- In the implementation of the Order of Selection, Nebraska VR will continue to provide services to all individuals who are already receiving services under an approved Individualized Plan for Employment (IPE). Statewide, Nebraska VR projects that 3,000 individuals will receive services in FFY 2018, and that the projected costs to provide services for these individuals will be approximately \$5,300,000 in FFY 2018.
- Individuals applying for services in FY 2018 will be interviewed and their eligibility determined. Eligible client's names will be placed on a waiting list if assigned to a closed priority. When financial resources are available, first priority will be given to clients determined most significantly disabled, second priority to those determined significantly disabled and third priority to those determined non-significantly disabled. Rationale for priority category placement will appear in the client's case file.
- Each client will be notified in writing of all the priority categories, his/her assignment to a priority category, if priority category is open or closed, an individual's priority assignment can be re-evaluated when new or additional information becomes available affecting the individual's functional limitation, his/her right to appeal the category assignment through informal or formal review and of the availability of assistance from the Client Assistance Program.
- Clients who do not meet the Order of Selection criteria for receiving VR services will be provided:
  - a. VR information and guidance (which may include counseling and referral for job placement) using appropriate modes of communication to assist them in preparing for, securing, retaining/regaining or advancing in employment.
  - b. Referred to other appropriate Federal and State programs, including programs carried out by other components of the Statewide Workforce Investment System, best suited to address the specific employment needs of the individual information identifying a specific point of contact within the agency.

- All funding arrangements for providing services shall be consistent with the Order of Selection. If any funding arrangements are inconsistent with the Order of Selection, Nebraska VR shall renegotiate these funding arrangements so they are consistent with the Order of Selection.
- Staff training on Order of Selection was completed during the week of October 30, 2017 and will be reviewed in six months.

Overview of the training includes:

Procedure for processing applications:

1. Upon receipt of referral, specialist meets with applicant to complete application and inform them about OOS.
2. Specialist will input data and application date; and determine eligibility within 60 days from the date of application.
3. After eligibility determinations are made, clients will be assigned to an order of selection priority category based on their functional limitations and need for VR services over an extended period of time.
4. Client's name will be put on a waiting list if in a closed priority category. Priority Group letter will be sent to all new clients.

Procedure for putting clients on the waitlist:

1. For each closed priority category, clients will be put on the waiting list based upon application date.
2. Administrative Office will be responsible to maintain the waiting list.

Procedure for taking clients off the waiting list:

1. Administrative Office will determine when to open or close a priority category based upon financial availability. One priority category will be opened at a time to clear the waiting list for that priority category before opening the next priority category.
2. A waiting list will be generated each month and based on financial availability the Administrative Office will determine how many clients will be taken off the waiting list for the recently opened priority category.
3. The monthly waiting list will be sent to the office directors with the names of clients who will be taken off the waiting list.
4. The office director will make sure the clients are assigned to specialists and contacted through appropriate modes of communication and next actions explained.
5. Specialists will complete the IPE within 90 days from the date the client was taken off the waiting list.

Exceptions to Policy on Order of Selection:

1. The individual is currently working but would almost certainly lose his or her current job if not provided specific services or equipment in the very near future that would enable him or her to retain that employment.

- a. An IPE can be developed and the services required can be provided immediately.
- b. VR services can only be provided to maintain the current employment.
- c. The client is not eligible for post-employment services.
- d. The case record must document communication from the employer stating the employee is at immediate risk of losing their job.
- e. The client is not required to disclose the disability to the employer.
- f. The client requires only: Guidance and counseling and follow along; or in addition to guidance and counseling and follow along, **only** specific services and equipment that will keep the consumer in his/her current job.

**Note 1:** This exemption does not apply to those losing jobs because the employer is going out of business, eliminating the job, or for other business-related decisions. **Note 2:** This exemption does not apply to clients who are underemployed or seeking to maximize their employment. **Note 3:** This exemption does not apply to those who are seeking to change employers.

#### Pre-Employment Transition Services

- Students who are considered “potentially eligible” for VR services will receive pre-employment transition services regardless of the Order of Selection, and are served when a signed Pre-employment Transition Consent and Release is in place.
- Students with disabilities who apply for VR services and who began receiving pre-employment transition services prior to applying for and being determined eligible, will continue to have access to pre-employment transition services even if their priority group closed. (Cannot receive any individualized VR services until priority group is being served and they come off the waiting list)
- Any student with a disability that has applied for VR services who is not yet participating in pre-employment transition services when the eligibility determination is made, and who is placed in a closed priority group will be served when funding is sufficient, by the date the application is signed by the client. (Cannot receive pre-employment transition services)
- Any student with a disability who is determined eligible for VR services and placed in an open priority group can receive the full range of services offered through VR, including pre-employment transition services and individualized VR services.