

1 **Vocational Rehabilitation Rate Changes for Benefits Counseling Services**
2 **Discussion Paper**
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4 **Background**

5 According to 29 USC §722(b)(2) and 34 CFR §361.45(c)(3), when the Vocational Rehabilitation
6 (VR) program develops the individualized plan for employment (IPE), VR staff must ensure that
7 benefits counseling services are offered or provided to all eligible customers who receive a
8 Social Security Administration (SSA) disability benefit from Title II (Social Security Disability
9 Insurance, Childhood Disability Beneficiary/Disabled Adult Child, or Disabled Widow/Widower
10 Beneficiary) or Title XVI (Supplemental Security Income Childhood or Adult Disabled/Blind) of
11 the Social Security Act (42 USC §401).

12 Benefits counseling services are key to successfully transitioning VR customers receiving SSA
13 disability benefits into competitive integrated employment. Benefits counseling helps customers
14 understand how to manage publicly funded benefits while employed. Research shows that VR
15 customers often pursue living wage positions when the fear and misunderstanding of how
16 employment affects their benefits has been eliminated through benefits counseling.

17 The SSA grant that funded Work Incentive Planning and Assistance (WIPA) programs was
18 implemented in 2000 as part of the Ticket to Work and Work Incentive Improvements Act of
19 1999. In 2012, SSA discontinued the WIPA program, and the Texas Department of Assistive and
20 Rehabilitative Services (DARS), the legacy agency for the VR program, began paying fees to the
21 previously SSA-funded WIPA programs to ensure that benefits counseling services would
22 continue to be available to VR customers. The WIPA grant funding was restored in July 2013,
23 and DARS continued to pay fees for benefits counseling services to ensure that quality services
24 were being provided to customers in a timely manner. Since 2012, many VR agencies across the
25 nation have continued to participate in a fee-for-service structure for benefits counseling
26 services.

27 **Issue**

28 Currently, benefits counseling services are provided by SSA grant-funded WIPA programs. The
29 original rates for benefits counseling services used the arithmetic mean model, which is based on
30 the rates that state VR agencies were paying for benefits counseling services at that time. Rates
31 have not increased since they were established and do not reflect the current value of this service.

32 Approximately one quarter of all VR customers served annually receive a disability benefit from
33 SSA. Currently, there are more than 13,000 VR customers with active IPEs who also receive a
34 disability benefit from SSA.

35 It is vital that TWC's Vocational Rehabilitation Division (TWC-VRD) have a more robust
36 provider network in order to deliver timely benefits counseling services to customers. Currently,

37 Texas has only two WIPA programs that provide fee-for-service benefits counseling to VR
38 customers. In order to provide timely benefits counseling services to VR customers, additional
39 vendors are needed, and compensation must be competitive and appropriate.

40 Currently, TWC-VRD purchases ten basic benefits counseling services. Staff is proposing rate
41 increases for seven of the services and is proposing one new benefits counseling service for
42 veterans.

43 The arithmetic mean model was again used as the methodology for establishing the proposed
44 rates. Data was gathered from 17 state VR agencies that pay for benefits counseling services.

45 **Recommendations**

46 Staff recommends an increase in rates for the following benefits counseling services:

- 47 • Benefits Information and Referral
 - 48 ➤ Currently \$50
 - 49 ➤ Proposed increase to \$100
- 50 • Benefits Information and Referral, Benefits Summary and Analysis/Work Incentive Plan
51 (BS&A/WIP):
 - 52 ➤ Currently \$275
 - 53 ➤ Proposed increase to \$550
- 54 • Revision to BS&A/WIP including Veterans:
 - 55 ➤ Currently \$100
 - 56 ➤ Proposed increase to \$300
- 57 • Plan to Achieve Self-Support:
 - 58 ➤ Currently \$200
 - 59 ➤ Proposed increase to \$450
- 60 • Property Essential to Self-Support:
 - 61 ➤ Currently \$75
 - 62 ➤ Proposed increase to \$100
- 63 • Student Earned Income Exclusion:
 - 64 ➤ Currently \$50
 - 65 ➤ Proposed increase to \$100
- 66 • Medicaid Buy-In:
 - 67 ➤ Currently \$100
 - 68 ➤ Proposed increase to \$250
- 69 • Veteran's BS&A/WIP:
 - 70 ➤ New service
 - 71 ➤ Proposed rate of \$1,000

72 **The Rehabilitation Council of Texas**

73 The Rehabilitation Council of Texas received and reviewed the proposed package for rate
74 increases to benefits counseling services. Based on the feedback, modifications were made where
75 appropriate.