

Considerations for State Vocational Rehabilitation (VR) on Developing Policies and Procedures for the New Ticket Program: Is Your State Ticket Ready?

Under the original regulations implementing the Ticket to Work and Work Incentives Improvement Act of 1999, VR was required to assign the tickets of all eligible customers in order to assure that they could claim their traditional cost reimbursement. Since this cost reimbursement represents a large portion of their program income, most VR agencies began registering tickets of all eligible customers. Under the new regulations, cost reimbursement can be obtained without actually assigning the ticket. Instead, collaboration with private Employment Networks (ENs) is encouraged under a new service model called *Partnership Plus*. With these changes, VR must now assess what policies and procedures were implemented under the old regulations and how these will change under the new regulations.

Intra-Agency Policy and Procedure Considerations

A. Choosing SSA Payment Methods

Under the new regulations, VR agencies are still allowed to choose any of the three SSA payment methods: outcome payment, outcome-milestone payment, or traditional cost reimbursement. Unlike private Employment Networks, VR agencies have the option to choose either cost reimbursement or their chosen EN payment system on a case-by case basis. The general trend among VR agencies has been to simply choose the cost reimbursement payment method for all cases.

State VR agencies may want to analyze the employment outcomes for their customers receiving SSDI and SSI to see how each payment method's revenue stream would differ. Based upon this analysis, a state VR agency may identify particular types of VR closures where it could earn more money by choosing one payment method over the others. It then could create policies or procedures of identifying such cases in the future and targeting them for assignment to the payment method that produces the greatest revenue stream.

B. Using Additional SSA Payments under the New Ticket Program to Enhance and Improve Services to SSA Beneficiaries or Others---The Ticket Reinvestment Strategy

Some VR agencies are beginning to look at choosing the outcome milestone payment method on those cases that do not normally result in cost reimbursement. States have discovered that there are many cases where they assist SSA beneficiaries in reaching employment outcomes, but that employment never reaches a level where it can recoup its costs under the cost reimbursement method. The customers are not earning Substantial Gainful Activity (SGA) for 9 months but are earning income at a level where some payment under the outcome milestone payments could be earned. By choosing the outcome milestone payment method in these cases, the state VR agency would receive at least some payment from Phase 1 of the outcome milestone payment method rather than none from cost reimbursement.

VR agencies that choose to do this should create a **reinvestment strategy** for better serving SSA beneficiaries. The purpose of the Ticket Program is to assist beneficiaries in moving toward greater levels of self-sufficiency, not fund VR agencies to find SSA beneficiaries part-time or below SGA work. Utilizing this new payment system in a race to the bottom of employment outcomes runs contrary to the Ticket to Work Program's purpose and will surely result in further erosion of support for SSA's funding of these types of initiatives. If a VR agency is earning significant amounts of money by choosing outcome milestone payments and collecting only on Phase 1, then that agency by definition is not placing SSA beneficiaries into higher levels of employment that could lead to greater self-sufficiency. Therefore, it should be reinvesting that money back into strategies that assist beneficiaries in moving toward greater levels of self-sufficiency. Examples of possible funding include: benefits planning infrastructure to assure that SSA beneficiaries and the service providers who work with them understand the impact of employment on public benefits, supportive services to increase the income of those SSA beneficiaries currently being placed at lower levels of earnings, or projects targeting special populations with lower than average earnings and placements.

C. Adopting New Procedures and Forms on Ticket Assignment

Under the New Regulations, if a VR agency chooses the cost reimbursement method, it no longer has to assign the ticket. However, SSA is developing other communication procedures that will assure that it is informed that an individual is working with the state VR agency and the cost reimbursement method has been chosen. State VR agencies who choose cost reimbursement must implement policies to stop the current practice of actually assigning tickets and implement the new communication procedure put forth by SSA. This will involve assuring that all staff are aware of the regulation changes and fill out whatever necessary paperwork is needed to inform SSA that a case has been opened by VR. VR agencies should pay

particular attention to any forms that make reference to the old automatic ticket assignment, particularly in the Individualized Plan for Employment.

D. Creating New Materials and Communications with VR Customers

Many VR agencies created outreach materials about Ticket when it was first implemented. VR agencies will need to review these outreach materials to assure that they reflect any changes to the Program and new policies created by the VR agency. For example, even though customers may not be assigning their ticket with VR, they still receive protection from a Continuing Disability Review as long as they meet certain timely progress goals. Any outreach materials created under the old regulations concerning this should reflect the new status of VR cases and requirements to meet timely progress.

E. Training VR Staff on New Ticket Regulations and VR Policies

The new Ticket Regulations will necessarily bring about some changes in policies and procedures. While SSA and others are doing significant outreach around the Ticket regulation changes, VR counselors and front-line staff will still be the first point of contact for many ticket holders. Assuring that staff understand the Ticket changes and new VR policies will be critical.

External Policy and Procedure Considerations

A. Creating an Effective Procedure for Transitioning Customers to EN Services After Case Closure

The most significant change from the old regulations to the new involves the *VR Partnership Plus Model*. Under the new Regulations, after VR obtains an employment outcome and closes the case, the beneficiary's ticket is available for assignment. A beneficiary can assign the ticket, continue to get services by a private EN, and the EN is eligible for Phase 2 and Phase 3 payments. See *Understanding the New Outcome Milestone Payment System*, NCHSD, 2008.

With this change, VR customers will have important access to continuing employment services after the VR case is closed. This may include significant follow-along services, supported employment services, assistance with managing benefits and further developing and implementing career goals. VR agencies who choose the cost reimbursement payment method have a vested financial interest in assisting their beneficiaries in accessing these services, if they are interested.

All of this is fairly new so there are no "promising practices" or practical models in effect for facilitating this transition. VR agencies will need to strategize and come up with procedures

that will assure that beneficiaries understand their eligibility for continuing services under Ticket. Possible procedures may include:

- Creating a form letter that informs all customers upon closure for successful employment outcome that Ticket services may be available and a list of ENs in the state;
- Partnering with local SSA-funded WIPA and PABSS Projects to provide information and advice on available ENs and how to access their services;
- Training counselors and others on counseling individuals about Ticket opportunities upon case closure;
- Signing Memorandums of Understanding with all ENs on what procedures will be followed if a beneficiary indicates interest in the EN and how information about the customer can be shared with any EN that has assigned his or her ticket;
- Utilizing counselors to facilitate a first communication with the new EN to assure a smooth transition to the EN; or
- Building a strong base of ENs throughout the state to assure that VR customers with tickets will have access to EN services once case closure occurs.

B. Determining the Role and Relationship of VR Ticket Participation and the One-Stop System

Under the new Ticket regulations, One-Stop Career Centers (One-Stops) under the Workforce Investment Act may become Employment Networks without fully responding to the EN RFP. They must still enter into an agreement with SSA and maintain compliance with general and specific selection criteria. This specific exception for One-Stops demonstrates SSA's commitment to assuring that more of its beneficiaries utilize the One-Stop systems. Across the country, SSA and its contractor, CESSI, are working with One-Stops to assist them in becoming Employment Networks.

State VR agencies are mandated partners in the One-Stop system. This places VR in a peculiar position. If it chooses the cost reimbursement method of payment, it operates "outside" of the Ticket system, but also "inside" the Ticket system as a partner in a One-Stop that may accept tickets. If the VR system chooses to take tickets under the outcome or outcome-milestone payment system, it may be in direct competition for ticket assignments with the One-Stop of which it is a partner. In either case, VR agencies will need to make sure that there are policies and procedures in place governing its relationship with the One-Stop and its role in assisting beneficiaries who assign their ticket to a One-Stop.

If the VR agency has chosen to work solely under the *Partnership Plus* model and collect cost reimbursement, it will need to engage in discussions with the other One-Stop partners:

- Discuss its procedures under the *Partnership Plus* model and how customers will be referred to VR under this model.
- Help the One-Stop system to understand that Phase 1 payments will not be available to the One-Stop for those clients referred to VR under the *Partnership Plus* model and chosen by VR for cost reimbursement. One-Stop Systems assessing the feasibility of assigning tickets and projecting revenue must have an understanding of how services from VR will impact available ticket payments.
- Determine a system of referral for post-employment services, if appropriate, after the VR case is closed with an employment outcome and the ticket is available for assignment. Here, VRs will need to be careful that they are neutral in explaining to the customer the right to assign the ticket wherever he or she chooses.
- Hold collaboration meetings with other relevant One-Stop partners and staff to discuss how, as a mandated partner in the One-Stop system, VR will assist consumers who choose to assign their ticket to the One-Stop and not participate in the *Partnership Plus* model.

If the VR agency has chosen to utilize more than one payment system under the Ticket to Work Program and make such decisions on an individualized basis, it will need to engage in discussion with the other One-Stop partners:

- Discuss how ticket intake will be conducted within the One-Stop. This must include determining criteria for choosing who will be allowed to assign the ticket and under what circumstances and when the *Partnership Plus* model would be appropriate.
- Hold collaboration meetings with other relevant One-Stop partners and staff to discuss how, as a mandated partner in the One-Stop system, VR will assist consumers who choose to assign their ticket to the One-Stop and not participate in the *Partnership Plus* model.

C. Educating Consumers about the VR *Partnership Plus* Model and Eligibility for Continuing Services Under Ticket

Access to continuing services through Ticket after VR closure can only be obtained if the customer understands the process and knows such services exist. VR agencies will need to establish procedures and materials for informing individuals of their rights under the Ticket to

Work Program. Again, because this is all new, no materials or communication procedures are currently in place.

D. Creating a Solid Base of Employment Networks throughout the State

While EN recruitment in the first years of the Ticket Program has not been bad, EN participation has been negligible. Because of the competition with state VR agencies and an inadequate payment system, many ENs and potential ENs have lost interest in the Ticket Program. Without significant intervention, these ENS and potential ENs are not coming back. Recognizing this, SSA has put together a fairly aggressive and extensive education and outreach campaign. However, they cannot do it alone. As leaders in employment services for people with disabilities and the main source of funding for such services, state VR agencies are particularly well-suited to assist SSA in educating the service provider community about new opportunities under the Ticket Program.

Again, state VR agencies have a vested interest in assuring that their customers continue to receive employment services after a closure with an employment outcome. In order to receive cost reimbursement payments, a customer must earn SGA for 9 months. Employment Networks and their services can be utilized to assure that the customer's employment continues and this goal is reached.

Summary Ticket Checklist For VR Agencies

- ✓ **Choose a general payment system for SSA beneficiaries or a method for determining what payment method will be used on a case-by-case basis.**
- ✓ **Adopt a Reinvestment Strategy that uses Ticket payments or cost reimbursement payment from SSA to invest in strategies for increasing employment outcomes and wages of SSA beneficiaries.**
- ✓ **Create forms and procedures for operating under the new Ticket to Work Regulations.**
- ✓ **Produce new materials and communication strategies for educating VR consumers about the Ticket to Work Program.**
- ✓ **Conduct trainings of VR staff on the new Ticket to Work Regulations and related agency policies.**
- ✓ **If adopting the *Partnership Plus* model, create effective policies and procedures for transitioning customers from VR services to EN services upon the closure of cases with employment outcomes and assure that customers understand these policies and procedures.**
- ✓ **Engage with partners in the One-Stop system to educate about VR's role in the Ticket to Work Program and what opportunities there are for collaboration.**
- ✓ **Assure that there is an active EN community within the state to assure continued access to services under the *Partnership Plus* model.**