



Iowa Department of Human Services



**Iowa's Disability
Employment Services
Community Feedback**

Webinar September 25, 2013

2:00 – 4:00 PM



Iowa
Vocational
Rehabilitation
Services

Finding solutions. Generating success.

IOWA DD Council

Preparation, Participation, Power



Iowa Employment Vision

“Employment in the general workforce is the first priority and the expected and preferred outcome in the provision of publically funded services for all working age Iowans with disabilities”





Outcome Goal for this Work

A service and funding system that is individualized and flexible over the person's employment lifecycle and that coordinates the use of all available resources toward individual jobs.





Iowa's Disability Employment Service Redesign

- Community Conversations June 2013
- Workgroup meetings held to date
 - Employment service definitions July 11th & 23rd,
 - Provider requirements and staff training August 8th & 13th
 - Reimbursement Methodologies September 10th



September 10, 2013 Employment Service Reimbursement Methodologies

- September 10, 2013 at Candeco, Johnston
- Welcomed the State Employment Leadership Network (SELN) team and a Subject Matter Expert (SME) with the Office of Disability and Employment Programs (ODEP)



September 10, 2013

- SELN representatives included Rie Kennedy Lizotte, MBA of the National Association of State Directors of Developmental Disabilities Services (NASDDDS) and John Butterworth, Ph.D. of the Institute for Community Inclusion (ICI), UMass Boston, and Jean Winsor, Ph.D. Research Associate with the ICI
- Lisa Mills, Ph.D. a Subject Matter Expert (SME) with the Office of Disability Employment Programs (ODEP)
- Facilitated discussion on the key components of an Employment First supported reimbursement methodology



Iowa Department of Human Services

- SELN began working with DHS in 2009
Expanded in 2012 through ICIE grant training and TA
- Iowa's 2010 SELN self assessment and forums identified funding for individual integrated employment as a priority
- Spring 2012 SELN site visit:
 - Day long stakeholder work group explored funding barriers for individual employment and goals for updated system
 - Work group also assisted in selection of states for SELN funding study.



SELN funding study completed in July 2012

- Analysis of comparison states work group selected
- Assessment of pros and cons of each state's funding system
- Recommendations for DHS funding strategy that included the best aspects of the selected states and are grounded in IA's goals, legacy, and infrastructure





Three Key SELN Funding Guidelines

- Funding is a part of a larger strategy to prioritize individual integrated employment
- Funding is not just a series of rates
- For funding to be a successful tool it must have supporting infrastructure at the individual, provider, and state levels that also prioritizes individual integrated employment



Elements of Funding/Pricing Employment Services

- Service Definitions that define Billable activities
- Contract Structures
- Unit of Service
- Individual Funding Allocation
- Process to fade supports and address increases in support needs
- Financial incentives





Successful Funding at the Individual Level

- Simplicity is essential
- Budget allocation process is distinct from payment rate process
- Individual level of need matters
- Transportation must be a separate allocation
- Funding systems need to have complementary case management systems that support the individual
- Supports respond rapidly to changes in need



What does the individual need to put these assumptions into practice?

- Information
- Adequate Budget to meet support needs
- Knowledgeable Case Manager or Service Coordinator
- Transportation





Successful Funding at the Provider Level

- Simplicity is essential
- High quality staff must be compensated
- Rate must be based upon staff cost
- Cost of indirect staff time is included in rate
- Providers' skill sets consistent across the state
- Supports a stable work team for long-term support
- Support authorizations change rapidly based on need



What does the provider need to put this into practice?

- A rate to pay quality employment staff
- A predictable funding stream
- Standardized rates or a cost corridor
- Clear billable activities with defined outcomes
- Knowledge about what activities are included in each rate
- Defined staff competencies and pathways to meet the expectations
- Support to transition the organization to meet new business opportunities



Successful Funding at the Systems Level

- Simplicity is essential
- Service definitions must link to billable activities
- Some services must be time limited
- Funding systems must acknowledge the long-term costs
- Know the changes your state needs
- Funding changes must be cost neutral



What does the system need to put this into practice?

- Quality assurance process that prioritizes individual employment
- Case management staff capable of managing short and long term employment costs
- Clear process for determining transition from job coaching to ongoing support
- Process to adjust authorizations quickly
- Clear process of using IDD funds (Waiver funds) when waiting for VR services



**COMMENTS
AND
QUESTIONS**



States reviewed

| | Services | Notes |
|--------------------|-------------------------|--|
| Connecticut | Job development | Rate/unit of service Specific funding request Required plan to fade supports |
| | Job Coaching | Rate/hour worked |
| | Benchmark payments | # hours of paid work At 3 months employed At 6 months employed |
| Minnesota | Developing new approach | Anticipate different rates for job development and ongoing support (coaching) |
| | | |



Iowa Department of Human Services

| | Services | Notes |
|-------------------|---------------------|---|
| Oklahoma | ETS rate | Rate/unit of service Intensive 3 rd party review via case management and QA |
| | Job Coaching | Rate/hour worked 20% or higher onsite |
| | Stabilization | Rate/hours worked 2 year limit ETS rate as authorized after |
| New Mexico | Job development | Rate/unit of service |
| | Job coaching | Rate/unit of service Until support is below 1 hour/month |
| | Community inclusion | Rate/unit of service Can support ADT service on the job |



Iowa Department of Human Services

| | Services | Notes |
|---------------|------------------------------|--|
| Oregon | Comprehensive waiver | |
| | Job exploration | |
| | Job development | Rate/unit of service Payment capped at daily rate and 10 hours/month Face to face or on behalf of |
| | Job coaching | Time limited Must be face to face |
| | Self Directed Waiver | |
| | Job development/job coaching | Rates vary within a range based on provider and on type of provider (employed by person, independent contractor, provider) |



**COMMENTS
AND
QUESTIONS**



Building A Rate: Key Elements

- Annual wage: Employment professional
- Employee related expenses
 - Benefits and related direct staff costs
- Travel costs (mileage or alternative)
- Program support and administration
 - Supervision
 - Administration
 - Office and equipment
- Billable hours





Per Employee Cost - Total hours available at 37.5/week less

- Vacation, holiday and sick time
- Training and staff development
- Supervision
- Team meetings
- Non-billable (not person specific) job development
- Other non-billable tasks (meetings, progress notes, travel. Etc.)
- Productivity adjustment



Alternatives

- Straight unit rate for ongoing support
- Monthly rate for group SE
- Benchmark payments
- Hourly rate for hours worked for IE ongoing support
- Outcome payment at placement and stabilization



Key Assumptions for a High Quality Funding System

- Simplicity is essential
- Service definitions link to billable activities
- High quality staff must be compensated
- Rate based upon staff cost
- Cost of indirect staff time included in rate
- Clear staff qualification requirements



Key Assumptions for a High Quality Funding System

- Supports stable work team for long-term support
- Some services must be time-limited
- Budget allocation process is different from payment rate process
- Individual level of need matters
- Transportation must be a separate allocation
- Funding systems need to have complementary case management systems that support the individual

Long term support: Alternative rate structures

| State | Rate |
|-------|----------------------------------|
| CT | \$4.48/hour worked |
| GA | \$576/month |
| IN | \$176 to \$528/month |
| LA | \$48 to \$49/day |
| MD | \$34 to \$36/day |
| MT | \$353 to \$1024/month |
| OK | \$16.20/hour worked job coaching |
| OK | \$5.08/hour worked stabilization |



COMMENTS AND QUESTIONS



Workgroup Feedback

Tiers

- There will need to be an exception process for the ongoing support tiers
- No denials individual SE
- SELN tiers based on 14 hours worked average
- Consider a 1-2 hour tier for job coaching

VR Blended Rate Model

- What would a VR blended rate model look like?



Workgroup Feedback

Federal Poverty Level is \$23,500 for a family of 4 = \$11.32 per hour

- Staff need to be paid a living wage, pay staff \$1.00 more per hour than FPL = \$12.32
- Require a minimum threshold for SE staff pay rate in rule

Staff qualification and training requirements

- Need to revisit this and come to a consensus
- Must be standardized in a Fee for service/ outcome payment system



Workgroup Feedback

Principles

- Keep it simple
- Incentives for one job- one person
- Providers cover cost plus reasonable return on investment to allow for increasing capacity over time
- The reimbursement model must help change the balance of the state investment in facility based programs versus integrated community employment services and increase outcomes
- The authorization process must be responsive to changes



Workgroup Feedback

Principles

- The model perceives Medicaid as a good partner
- The model should build in methods to reward providers
- The model should build in methods to allow for cost of living adjustments – align with IVRS, (use CPI-U , or Market Basket rate or similar)
- Fee based , no longer a cost based reimbursement, must be the option for exceptions to meet unique needs
- What model or combination will incent integrated employment outcomes



Workgroup Feedback

Principles

- The model needs to address those individual who are in the facilities long term and will be resistant to change
- The model needs to incentivize conversion to community focus business model to offset or bridge the costs.

System Outcomes

- Embed employment service authorization in service plan review process
- Report employment service outcome data when billing



COMMENTS AND QUESTIONS



Important Dates Coming Up:

- Next Workgroup Meeting September 26
- APSE IA Conference Employment First In Iowa Oct. 9th & 10th
- Governor's Forum, "Empowering Individuals with Disabilities through Employment," scheduled for October 17th
- October and November Workgroup Meetings to be determined
- Webinar # 4 Wednesday October 30 2:00pm-4:00pm



Next Steps

- Incorporate today's comments into the workgroup recommendations
- Invite comments from consumer advocacy community (APSE, Olmstead Consumer Taskforce, DD Council, ICIE and BIA-IA)
- Refine and format the recommendations into "Waiver Language"
- Workgroup to meet September 26 and in October to develop the reimbursement methodologies into rule language based on service descriptions and provider requirements





Next Steps...

- DHS fiscal staff to conduct rate modeling to assure cost neutrality
- Draft of entire package in November, early December
- Piloting of rate methodologies with select providers
- Amend proposed rules based on pilot experience
- Vet through stakeholders prior to final submission to initiate the Administrative Rules review process
- Submission for tribal consultation
- Submission to CMS



Additional Resource Materials

We continue to post resource information to the MHDS Employment Website:

<http://www.dhs.state.ia.us/mhdd/2012/Employment.html>

Look towards the bottom of the page for these materials

To learn more about ODEP's Employment First initiatives visit: <http://www.dol.gov/odep/topics/EmploymentFirst.htm>

To learn more about the SELN visit: <http://www.selnmembers.org/homepage>



Additional Questions or Comments?

Lin Nibbelink, LISW

DHS Division of Mental Health & Disability
Services

1305 E Walnut St., Des Moines IA 50319

Email: lnibbel@dhs.state.ia.us

PH: 515.281.3023

FAX: 515.242.6036