Questions and Answers

Order of Selection (OOS) Public Hearings April 14th, 2025

Funding

Question 1: Is there a timeframe for receiving the federal funding?

Answer: Federal funds were released to the agency from the Rehabilitation Services Administration on April 21, 2025.

Question 2: What internal cuts or changes were made to try and avoid Order of Selection (OOS) with no categories open?

Answer: The following actions were taken:

- a. Personnel actions for hiring were discontinued and vacancies are being scrutinized for necessity before being filled.
- b. All purchases not consumer related are being reviewed to ensure essential purchases only.
- c. Capital projects are now limited to those required for mechanical or programmatic necessity.
- d. Agency funded out-of-state travel for staff was discontinued.
- e. In-state travel is prioritized for consumer services and all other travel is being reviewed for necessity.
- f. The state continues to utilize virtual options for meetings, trainings and team interactions to reduce travel.
- g. Cost sharing for consumers was resumed in March 2025. In 2022, cost sharing was suspended but OVR continued to inform consumers of the possibility of reinstatement and continued to collect necessary information as needed. Forms, policies, procedures and training were all updated and completed prior to implementation.
- h. OVR central office staff are consolidating space by releasing cubicles not utilized and moving staff to a smaller footprint in the Mayo-Underwood Building.

Question 3: Will there be any other layoffs?

Answer: There have been no layoffs of merit or non-merit state employees. In March 2025, the agency released from employment 14 temporary employees and 11 initial probation employees. Additional cost savings from personnel include those achieved through attrition.

Question 4: According to the RSA website, (Kentucky) sent \$4,000,000.00 back where it was reallotted to other states last year in 2024. I want to know how that impacts the fact that the agency has to go on OOS?

Answer: OVR has reallocated funds back to the Department of Education RSA in accordance with the governing rules and regulations required. RSA requires a state match of 21.3% of the Vocational Rehabilitation Basic Support grant funds awarded and a 15% minimum set aside for Pre-Employment Transitional Services of the Vocational Rehabilitation Basic Support grant funds. In addition, RSA has increased the federal grant award four out of the last five years, increasing the match requirements. State match comes from the State General Fund, which is appropriated by the Kentucky General Assembly through the state budget every two years, making it difficult to keep up with the federal award increases. Due to these circumstances, OVR had to reallocate funds to stay in compliance with RSA regulations and remain in good standing with RSA.

Question 5: How many people were served in eligibility Category 1 versus Category 2 last year or in the last few years?

Answer: In 2024, Priority Category 1 served 10,549 individuals and Priority Category 2 served 3,897 individuals.

Question 6: Where can I find the budget so we can figure out how this was based and where all of Kentucky's money is going?

Answer:

- 1. Applications increased from 6,297 in 2021 to 12,310 in 2024. This was a 95% increase.
- 2. Eligibilities increased from 5,606 in 2021 to 11,335 in 2024. This is a 102% increase.
- 3. Employment outcomes increased from 2,756 in 2021 to 4,915 in 2024. This is a 78% increase.
- 4. Expenditures increased from \$ 23,296,462 in 2021to \$40,178,804 in 2024. This is a 72% increase.

Additionally, OVR publishes an Annual Report on behalf of the Statewide Council for Vocational Rehabilitation, and the most current edition is on the agency website at <u>Annual Reports - Kentucky Career Center</u>.

Impact on Services

Question 1: How much time, if any, was spent on studying the impact this would have in Kentucky for people with disabilities how they will be impacted in their capacity to work if not eligible for services, and if so, what were the results?

Answer: As required by Federal Regulation, the overall impact of implementation of an OOS was outlined in the original proposed draft amendment posted for the February 2025 Public Hearings and the updated amendment closing all categories will be available on the agency website to include the analyzed impact of this change. OVR has closely followed the "Navigating Order of Selection: A Resource for VR Agencies" jointly developed by the Vocational Rehabilitation Technical Assistance Center-Quality Management and RSA and has consulted at length with RSA and the State Vocational Rehabilitation Council. This included a thorough analysis of both fiscal and programmatic data.

Question 2: Any clarification on the halting of provider services and the effects?

Answer: Authorized services may continue under a current signed Individual Plan for Employment for active consumers. There are currently over 15,000 plans in place that will continue to be served. As funds become available, the agency will serve individuals on the wait list starting with the "most significantly disabled" in Categories 1 and 2 based on their date of application.

Question 3: Individuals need a clear understanding of how this shouldn't be affecting people that are currently receiving services and make sure everyone is receiving correct information.

Answer: When OOS is implemented, individuals who have an approved Individual Plan for Employment, signed and in place will continue to receive services. OVR will continue to take referrals, meet with new applicants to determine if they are eligible for OVR services and assign them to a category. The agency will work quickly to address concerns with the priority category definitions. As funding allows, OVR will serve individuals from the waitlist, prioritizing the most significant disabilities from Categories 1 and 2 based on the date of application until categories can be reopened. A consumer placed on the wait list will receive written notification along with contact information about other employment programs for which they may qualify. They will also be informed of how to appeal the priority category assigned to them. In addition, the consumer will receive information on possible reclassification if there are changes to individual circumstances or due to misclassification. The individual will also receive a copy of their appeal rights and access information for the Client Assistance Program (CAP).

Question 4: What sort of time frame do we have and how to navigate families together?

Answer: OOS will be implemented upon finalized receipt of the proposed amendment change to the State Plan by the Rehabilitation Services Administration.

Question 5: Would this affect certain Supported Employment programs?

Answer: Providers will continue to deliver authorized services for individuals that have approved plans in place. There are currently over 15,000 active plans.

Question 6: How does this affect the 1915(i) IPS waiver effective 7.1.2025?

Answer: The Kentucky Department of Medicaid Services (DMS) is responsible for overseeing the Individual Placement and Supports (IPS) waiver, the requirement to work legislation and ensuring compliance with federal regulations.

Question 7: How will this impact Medicaid requirement to work that recently passed at the state level?

Answer: The Kentucky Department of Medicaid Services (DMS) is responsible for overseeing the Individual Placement and Supports (IPS) waiver and the requirement to work legislation and ensuring compliance with federal regulations.

Question 8: Can we continue to make career profile authorizations?

Answer: Authorized services may continue under a current IPE for active consumers. There are currently over 15,000 plans in place that will continue to be served. For compliance with the identified duplicative language, as funds become available, the agency will serve individuals on the wait list starting with the "most significantly disabled" in Categories 1 and 2 based on their date of application.

Question 9: Will this impact independent living in any way?

Answer: Implementation of Order of Selection will impact all services for those who do not have a plan in place at the time the OOS is implemented. Older Blind

Independent Living has a separate funding source and OOS does not apply to them.

Question 10: To clarify this, OOS applies to education and supported employment, correct?

Answer: Implementation of OOS will impact all services for those who do not have a plan in place at the time that OOS is implemented.

Question 11: Will this decision impact any federal spending for special education, specifically, blind/deaf individuals?

Answer: Implementation of OOS will impact all services for those who do not have a plan in place at the time the OOS is implemented. OVR does not administer special education under the Department of Education.

Question 12: Does the agency have an estimate of how long it is before a dead stand still and when the agency is able to provide services again?

Answer: There will not be "a dead stand still" of services. When OOS is implemented, individuals who have an approved Individual Plan for Employment, signed and in place will continue to receive services. OVR will continue to take referrals, meet with new applicants to determine if they are eligible for OVR services and assign them to a category. The agency will work quickly to address concerns with the priority category definitions. As funding allows, OVR will serve individuals from the waitlist, prioritizing most significant disabilities from Categories 1 and 2 based on the date of application until categories can be reopened.

Process

Question 1: Wondering about the definition receiving services. What does that actually mean?

Answer: An individual is receiving services when an approved Individual Plan for Employment is signed and in place, though some services may be received as part of the application and eligibility determination process for assessment purposes.

Question 2: How do I know which category I am? My VR Counselor has not told me that.

Answer: Please reach out to your counselor and clarify what priority category you are in. OVR will continue to take referrals, meet with new applicants to determine if they are eligible for OVR services and assign them to a category on the Order of Selection. A consumer placed on the wait list will receive written notification along with contact information for other employment programs for which they may qualify. They will also be informed of how to appeal the priority category assigned. In addition, the consumer will receive information on possible reclassification if there are changes to individual circumstances or due to misclassification. The individual will also receive a copy of their appeal rights and access information for the Client Assistance Program (CAP).

Question 3: When will OOS go into effect?

Answer: OOS will be implemented upon finalized receipt of the proposed amendment change to the State Plan by the Rehabilitation Services Administration (RSA). OVR will send out a notice of the implementation date once approval from RSA occurs.

Question 4: People who are deemed eligible now...can plans try to be made in a kind of emergency basis to get services set up before OOS goes into effect?

Answer: Plans can be written, signed and implemented until OOS is in place, but there is no policy or procedure in place to create "emergency plans."

Question 5: If an individual is currently receiving services, are those to continue or only continue until all this goes into place?

Answer: Any individual currently with a signed IPE in place will continue to receive the services authorized on the plan. Plans will continue to be written for those that have been determined eligible until the OOS goes into place.

Question 6: Can a plan be submitted today through April 30th and still receive services?

Answer: Plans may be written and implemented, and services authorized until OOS is implemented.

Question 7: How long is it going to take and when it is resolved everything will go back to normal?

Answer: OOS will be implemented upon finalized receipt of the proposed amendment change to the State Plan by the Rehabilitation Services Administration. The agency will work quickly to address concerns with the definitions. As funding allows, OVR will serve individuals from the waitlist, prioritizing most significant disabilities from Categories 1 and 2 based on the date of application.

Question 8: I'm curious about the next authorization. For example, if we complete a PCEP (Person Center Employment Plan) and turn in, can we get the next phase authorized or will it be delayed?

Answer: Existing consumers who have an IPE completed by the finalized implementation date will continue to receive services. Authorized services on the plan will continue and plan amendments can be made as appropriate.

OVR staff will receive additional training regarding the changes in the OOS implementation, policies and procedures.

Question 9: Has Kentucky looked at other states and their definitions for the categories that have been acceptable for use by RSA?

Answer: Yes, OVR has done a thorough review of other states and their definitions for the categories that have been acceptable for use by RSA. OVR has reviewed the information from other states with the State Rehabilitation Council. The agency will work with the Rehabilitation Services Administration to craft definition recommendations in keeping with federal regulations. OVR will address the necessary changes to the priority category definitions through the regulatory process, which allows for public input. There will be public hearings when this occurs. The public hearings will provide an opportunity for comments prior to amending the definitions and updating state regulations that mirror the definitions.

Comments are posted in the minutes from the public hearing.