



Andy Beshear
Governor

Jamie Link
Education and Labor Cabinet Secretary

Provider Capacity Committee

Minutes
July 8th, 2025
2:00pm – 3:00pm (EST)

Attendees:

Jeff White, Katie Wolf Whaley, Shelly Durbin, Amanda Hutchison, Zac Sappenfield, Annette Jett, Lisa Carrico, Stephanie Miller, Melissa Marvel, Cathy Anderson, Amanda Owen, Todd Coffey and Ron O'Hair.

Staff Attendees:

Nanci Howard, Kentucky Office of Vocational Rehabilitation Administrator, and Anu Kumari Kentucky, Office of Vocational Rehabilitation Administrative Specialist Senior.

Members Absent:

Staci Cain, Cora McNabb, Leslie Hoffmann, and Lori Norton.

Guests Present:

David Wheeler, BH/DID Program Manager at the Department for Behavioral Health, Developmental and Intellectual Disabilities.

Welcome:

Employment First Committee Chair, Jeff White welcomed everyone to the meeting. The agenda was reviewed by all participants.

Exploration of Potential Funding Sources and Training

David Wheeler, BH/DID Program Manager at the Department for Behavioral Health, Developmental and Intellectual Disabilities, provided an overview of State General Funds in response to ongoing concerns about limited provider funding.

He explained that State General Funds are *not* an entitlement program or an open-access funding source. Instead, these funds serve as a limited “personal development fund” Comprehensive Care Centers can invest in persons having no alternative funding options. Utilization of State General Funds carries the expectation that the investment will increase the individual independence and reduce future needs for assistance.

Mr. Wheeler noted that these funds are allocated to community mental health centers statewide to support individuals with intellectual and developmental disabilities following high school. Covered services include - Case management / Day training / adult workshops / Supported employment / Personal assistance / Crisis prevention and intervention / Access and Referral.

Mr. Wheeler concluded by opening the floor for questions and discussion. The committee proceeded to discuss additional concerns and considerations related to funding access and sustainability.

Discussion of Current Path for Initiation of Services

It was discussed the importance of providers identifying as employment service providers and diversifying funding sources to ensure sustainability. To support this effort, a future webinar or training was proposed to help providers explore and understand alternative funding opportunities. Potential funding sources highlights:

Becoming an Office of Vocational Rehabilitation vendor

- Offer services such as Supported Employment, Customized Employment, or Individual Placement and Support (IPS) and direct on-the-job training programs
- Accessing programs through America’s Job Centers’ under Workforce Innovation and Opportunity Act (WIOA), such as on-the-job training or wage subsidies.

Obtain certification as a 1915(C)–waiver provider

An overview was provided of Kentucky’s four 1915(c) waivers that include supported employment services, with emphasis on the Michelle P. and SCL waivers as the most widely used. Limited funding has led to increased waiver-based requests for employment services. Case managers are more

familiar with waiver processes, making it easier and faster to initiate services through waivers. Providers were encouraged to view waivers as a strategic funding option. It was also confirmed that OVR is still accepting vendor applications."

Become a RISE provider (1915(I) waiver)

An overview was shared on Kentucky's RISE initiative, a 1915(I) Medicaid waiver that supports individuals with serious mental illness and/or substance use disorders. The RISE waiver focuses on Recovery, Independence, Support, and Engagement, aiming to prevent homelessness and institutionalization through community-based supports.

Eligibility Criteria:

- Individuals age 18 or older
- Enrolled in Kentucky Medicaid
- Primary diagnosis of serious mental illness or co-occurring substance use disorder
- Demonstrated functional impairments requiring assistance in two or more key areas

iRISE Services Include:

- Supervised residential care
- In-home independent living support
- Housing support
- Supported employment (IPS model)
- Supported education
- Transportation (limited to services identified in the individual's RISE plan of care)
- Medication management
- Assistive technology
- Planned respite
- Case management

RISE provides extended support for employment services through the IPS (Individual Placement and Support) model, addressing a service gap for individuals with behavioral health needs.

Provider Enrollment:

- RISE provider enrollment began on July 1st.2025
- Providers requires waiver certification process, similar to SCL procedures
- Participant enrollment is anticipated to begin in late 2024

A one-page information sheet with a link to full enrollment instructions will be shared following the meeting

Become an employment network (Ticket to Work)

The Office of Vocational Rehabilitation (OVR) participates in the Ticket to Work program and serves as an employment provider. This program offers payments beyond typical VR services, allowing providers to support individuals after funding ends. Donna Osborne coordinates this effort. While there are several employment networks operating within Kentucky, many appear to conduct services online or from outside the state. Although recruitment of Community Rehabilitation Providers (CRPs) as employment networks has been limited due to the program's complexity, it was suggested Ticket to Work remains a valuable alternative funding source for employment service providers.

Develop a relationship with local school districts

- Engage in Pre-Employment Transition Services (Pre-ETS).
- Provide Supported or Customized Employment services to transition-age youth.
- Progress with *Project SEARCH* and other school-to-work partnerships was noted as additional avenues for collaboration and funding for supported employment and employment service agencies.

Apply for funding through Special Ad Valorem

It was discussed the existence of '*Special Ad Valore Tax Districts*' in Kentucky, specifically in northern counties Boone, Kenton, and Campbell.

- Kentucky statutes (KRS) 210.480 authorize counties or regions to impose a special ad valorem tax of up to \$0.04 per \$100 of assessed value to support mental health or intellectual disability services, if local funding is insufficient.
- This tax district was established through efforts led by providers, who successfully placed it on the ballot. It was noted supporting such initiatives could be beneficial if pursued by local groups.

Seek funding through grants and philanthropy

It was discussed that funding has previously been secured through organizations such as United Way / Private Foundations / Corporate Sponsorship. Program-specific sponsorships as a promising opportunity for providers to diversify their funding streams.

Develop a fee schedule for Private Pay services

Discussion was held regarding establishing fee schedules for private pay services with the following points

- Ensure services are not advertised at a lower rate than the current "Medicaid" rate.

- Private pay services can be supplemented with other private funds making the actual out-of-pocket expense for families lower than the Medicaid rate.
- For some parents of a young adult ineligible for publicly funded services, private pay could be very attractive.
- Employment Service expenditures do meet the definition of a qualified Able Account expenditure.

Seek direct payment from employers

- Establish a reputation as a reliable source of labor in a tight employment market it may well be worth the employer's investment.
- Such investments may qualify as a reasonable accommodation under the Americans with Disabilities Act (ADA).
- The expense could be offset by existing tax incentives.
- Work Opportunity Tax Credit (WOTC)
- Disabled Access Credit
- Barrier Removal Tax Deduction (in specific applicable cases)

Initiate your own fund development opportunities

- Conduct direct appeal to individuals.
- Direct appeal to clubs and organizations.
- Establish giving clubs or donor circles tied to contribution levels.
- Promote planned Giving Instruments.
- Organize Special Events.

Discussion regarding Medicaid Buy-In

It was discussed the challenges with Kentucky's Medicaid Buy-In program were highlighted, noting it was non-functional at the time. Efforts are underway to gather information and assistance from Tennessee and other states to explore alternative approaches.

Recap of project NEON Work

An update was provided regarding the Project NEON initiative, noted that efforts are currently underway.

Additional Discussion:

It was suggested that the Employment First Council host a webinar to assist agencies in exploring alternative fundraising strategies. Representatives from Down Syndrome Louisville and Zoom Group offered to share their insights and experiences. The webinar would showcase examples from both large and small agencies, highlighting diverse fundraising approaches. Additionally, a recent CRPs quarterly bulletin featuring ideas such as online challenges and auctions was offered to the committee for further consideration.

2025 Annual Report Recommendations

It was recommended to highlight the Employment First Council's initiative to develop a webinar or training designed to help agencies understand and establish alternative funding sources.

Action Items

- The Provider Capacity Committee will research the development of training regarding how to access alternative funding sources.
- KYOVR Administrator Nanci Howard will coordinate and reschedule the next committee meeting.

Public Comment:

No public comment addressed.

Adjournment:

Chair, Jeff White thanked everyone for their contribution and adjourned the meeting.

Next Meeting

- Date: September 09th, 2025
- Time: 2:00pm to 3:00pm (EST)

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