

Department of Education
REHABILITATION SERVICES
Fiscal Year 2019 Budget Request

CONTENTS

	<u>Page</u>
Appropriations Language	I-1
Analysis of Language Provisions and Changes.....	I-2
Appropriation, Adjustments, and Transfers	I-3
Summary of Changes	I-4
Authorizing Legislation.....	I-5
Appropriations History.....	I-6
Summary of Request	I-7
Activities:	
Vocational rehabilitation State grants	I-10
Client assistance State grants	I-28
Training	I-34
Demonstration and training programs.....	I-40
Protection and advocacy of individual rights.....	I-47
Supported employment State grants	I-52
Independent living services for older blind individuals	I-60
Helen Keller National Center	I-65
State Tables*	

State tables reflecting final 2017 allocations and 2018 and 2019 estimates are posted on the Department's webpage at: <https://www2.ed.gov/about/overview/budget/statetables/index.html>

Appropriations Language
REHABILITATION SERVICES

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973 and the Helen Keller National Center Act, \$3,634,977,000, of which \$3,521,990,000 shall be for grants for vocational rehabilitation services under Title I of the Rehabilitation Act.¹

NOTES

A full-year 2018 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115-56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.

Each language provision that is followed by a footnote reference is explained in the Analysis of Language Provisions and Changes document which follows the appropriations language.

REHABILITATION SERVICES

Analysis of Language Provisions and Changes

Language Provision	Explanation
¹ <u>...of which \$3,521,990,000 shall be for grants for vocational rehabilitation services under Title I of the Rehabilitation Act.</u>	This language earmarks funds provided for Vocational Rehabilitation (VR) State Grants program.

REHABILITATION SERVICES

Appropriation, Adjustments, and Transfers
(dollars in thousands)

Appropriation/Adjustments/Transfers	2017	2018 Annualized CR	2019
Discretionary:			
Appropriation.....	\$137,035	0	\$112,987
Annualized CR (P.L. 115-56, as amended) ...	<u>0</u>	<u>\$136,105</u>	<u>0</u>
Total, discretionary appropriation	137,035	136.105	112,987
Mandatory:			
Appropriation.....	3,398,554	3,452,931	3,521,990
Sequester (P.L. 112-25).....	<u>-234,500</u>	<u>-227,893</u>	<u>0</u>
Total, adjusted mandatory appropriation ...	3,164,054	3,225,038	3,521,990
Total, discretionary and adjusted mandatory appropriation.....	3,301,089	3,361,143	3,634,977

REHABILITATION SERVICES

Summary of Changes

(dollars in thousands)

2018 Annualized CR	\$3,589,036 ¹
2019.....	<u>3,634,977</u>
Net change.....	+45,941

¹ Excludes the 6.6 percent reduction of mandatory VR State Grant funds pursuant to the Budget Control Act (P.L. 112-25) that went into effect on October 1, 2017. The reduced level for 2018 subsequent to the 6.6 percent sequester is \$3,361,143, a reduction of \$227.9 million.

	2018 Annualized <u>CR base</u>	Change from base
Increases:		
<u>Built in</u>		
Increase in funding for Vocational Rehabilitation (VR) State grants, consistent with the inflation increase specified in the authorizing statute.	\$3,452,931	+\$69,059
<u>Program</u>		
Increase in funding for the Demonstration and Training program to support a new inclusive apprenticeship technical assistance center for individuals with disabilities.		+3,539
Increase in funding to reflect the President's Budget request to fund discretionary programs (excluding Supported Employment State Grants) at FY 2017 enacted levels. This amount would restore cuts resulting from the 0.6791 percent across-the-board reduction included in the FY 2018 Annualized CR Level.		<u>+704</u>
Subtotal, increases		+73,302
	2018 Annualized <u>CR base</u>	Change from base
Decreases:		
<u>Program:</u>		
No funds are requested for Supported Employment State grants.	27,361	<u>-27,361</u>
Net change		+45,941

REHABILITATION SERVICES

Authorizing Legislation

(dollars in thousands)

Activity	2018 Authorized	2018 Annualized CR	2019 Authorized	2019 Request
Vocational rehabilitation (VR) State grants:				
Grants to States (RA-I A, B-110 and 111)	\$3,452,931 ¹	\$3,184,849 ²	\$3,521,990 ³	\$3,478,238
Grants for Indians (RA-I-C)	(1,4) 40,189	40,189	(3,4) 43,752	43,752
Client assistance State grants (RA-I-112)	13,488	12,912	13,488	13,000
Supported employment State grants (RA-VI)	30,963	0	30,963	0
Training (RA-III-302)	37,830	29,188	37,830	29,388
Demonstration and training programs (RA-III-303)	6,515	5,757	6,515	9,296
Services for older blind individuals (RA-VII-2)	36,635	33,091	36,635	33,317
Protection and advocacy of individual rights (RA-V-509)	19,838	17,530	19,838	17,650
Helen Keller National Center for Deaf-Blind Youths and Adults (HKNCA)	0 ⁵	10,316	0 ⁵	10,336
Undistributed	<u>0</u>	<u>27,361⁶</u>	<u>0</u>	<u>0</u>
Total definite authorization	3,598,200		3,667,259	
Total discretionary appropriation		136,105		112,987
Total mandatory appropriation		3,452,931		3,521,990
Total appropriation		3,589,036		3,634,977
Portion of request not authorized				10,336
Total appropriation including required mandatory reduction		3,361,143 ²		

¹ The authorizing legislation specifies that the amount to be appropriated for VR State grants for a fiscal year be at least at the level of the prior fiscal year increased by the 12-month percentage change from October to October in the Consumer Price Index for all Urban Consumers (CPIU). In FY 2018, this amount was \$3,452,931 thousand.

² The amount reflects the 6.6 percent reduction of mandatory programs that went into effect on October 1, 2017, pursuant to the Budget Control Act of 2011 (P.L. 112-25).

³ The authorizing legislation specifies that the amount to be appropriated for a fiscal year be at least the level of the prior fiscal year increased by the 12-month percentage change from October to October in the CPIU. In FY 2019, this amount is \$3,521,990 thousand.

⁴ The Rehabilitation Act requires that 1.0 percent to 1.5 percent of the appropriation for Vocational Rehabilitation State grants be set aside for Grants to Indians.

⁵ The GEPA extension expired September 30, 2004; continued funding is proposed for this program in FY 2019 under appropriations language.

⁶ These funds are undistributed pending final Congressional action on the FY 2018 budget for the Rehabilitation Services account.

REHABILITATION SERVICES

Appropriations History (dollars in thousands)

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
2010	\$3,500,735	\$3,504,305	\$3,507,322 ¹	\$3,506,861
2011	3,565,326	3,501,766 ²	3,542,510 ¹	3,474,718 ³
2012	3,541,111	3,522,686 ⁴	3,511,735 ⁴	3,511,281
2013	3,517,710	3,511,281 ⁵	3,626,380 ⁵	3,622,925
2014	3,655,577	N/A ⁶	3,698,174 ¹	3,680,497
2015	3,683,335	N/A ⁶	3,722,853 ⁷	3,709,853
2016	3,532,109	3,529,605 ⁸	3,487,864 ⁸	3,529,605
2017	3,541,389	3,534,027 ⁹	3,536,389 ⁹	3,535,589 ⁹
2018	3,563,008	3,562,582 ¹⁰	3,562,418 ¹⁰	3,361,143 ¹⁰
2019	3,634,977			

¹ The levels for the Senate allowance reflects Committee action only.

² The levels for the House allowance reflects the House-passed full-year continuing resolution.

³ The level for appropriation reflects the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10).

⁴ The level for the House allowance reflects an introduced bill and the level for the Senate allowance reflects Senate Committee action only.

⁵ The level for the House and Senate allowances reflect action on the regular annual 2013 appropriations bill, which proceeded in the 112th Congress only through the House Subcommittee and the Senate Committee.

⁶ The House allowance is shown as N/A because there was no Subcommittee action.

⁷ The level for the Senate allowance reflects Senate Subcommittee action only.

⁸ The levels for House and Senate allowances reflect action on the regular annual 2016 appropriations bill, which proceeded in the 114th Congress only through the House Committee and Senate Committee.

⁹ The levels for House and Senate allowances reflect Committee action on the regular annual 2017 appropriations bill; the Appropriation reflects the Consolidated Appropriation Act, 2017.

¹⁰ The levels for the House reflect floor action on an Omnibus appropriation bill; Senate allowances reflect Committee action on the regular annual 2018 appropriations bill; the Appropriation reflects the annualized Continuing Resolution level.

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DEPARTMENT OF EDUCATION FISCAL YEAR 2019 PRESIDENT'S BUDGET
(in thousands of dollars)

	Category Code	2017 Appropriation	2018 Annualized CR	2019 President's Budget	2019 President's Budget Compared to 2018 Annualized CR Amount	Percent
Rehabilitation Services						
1. Vocational rehabilitation State grants:						
(a) Grants to States (RA Title I-A, sections 110 and 111)	M	3,121,054	3,184,849	3,478,238	293,389	9.21%
(b) Grants to Indians (RA Title I-C)	M	43,000	40,189	43,752	3,563	8.87%
Subtotal ¹		3,164,054	3,225,038	3,521,990	296,952	9.21%
Mandatory baseline	M	3,398,554	3,452,931	3,521,990	69,059	2.00%
2. Client assistance State grants (RA section 112)	D	13,000	12,912	13,000	88	0.68%
3. Training (RA section 302)	D	29,388	29,188	29,388	200	0.69%
4. Demonstration and training programs (RA section 303)	D	5,796	5,757	9,296	3,539	61.47%
5. Protection and advocacy of individual rights (RA section 509)	D	17,650	17,530	17,650	120	0.68%
6. Supported employment State grants (RA VI)	D	27,548	0	0	0	---
7. Independent living services for older blind individuals (RA VII, Chapter 2)	D	33,317	33,091	33,317	226	0.68%
8. Helen Keller National Center for Deaf-Blind Youths and Adults (HKNCA)	D	10,336	10,266	10,336	70	0.68%
Undistributed ²		---	27,361	---	(27,361)	-100.00%
Subtotal		137,035	136,105	112,987	(23,118)	-16.99%
Total		3,301,089	3,361,143	3,634,977	273,834	8.15%
Discretionary	D	137,035	136,105	112,987	(23,118)	-16.99%
Mandatory	M	3,164,054	3,225,038	3,521,990	296,952	9.21%

NOTES: D = discretionary program; M = mandatory program

Detail may not add to totals due to rounding.

¹ For the Vocational Rehabilitation State Grants program the level shown in the 2017 Appropriation column reflects the 6.9 percent reduction that went into effect on October 1, 2016, and the level shown in the 2018 Annualized CR column reflects the 6.6 percent reduction that went into effect on October 1, 2017, pursuant to the Budget Control Act of 2011 (P.L. 112-25).

² These funds are undistributed during the continuing resolution pending final Congressional action on the FY 2018 budget.

REHABILITATION SERVICES

Summary of Request

A full-year fiscal year 2018 appropriation was not enacted at the time the fiscal year 2019 Budget was prepared; therefore, the Budget assumes the Department is operating under the Continuing Appropriations Act, 2018 (Division D of P.L. 115–56, as amended). The amounts included for fiscal year 2018 reflect the annualized level provided by the continuing resolution.

People with disabilities represent a vital and integral part of our society. Giving workers with disabilities the support and the opportunity to acquire the skills that they need for in-demand jobs and careers is critical to growing our economy, ensuring that everyone who works hard is rewarded, and building a strong middle class. To help achieve this goal, the Rehabilitation Act seeks to empower individuals with disabilities to maximize employment, economic self-sufficiency, independence, and inclusion and integration into society. The Rehabilitation Act was reauthorized by Title IV of the Workforce Innovation and Opportunity Act (WIOA), enacted in July of 2014. WIOA supports the Nation's workforce development system through programs and investments in employment services, workforce development, adult education, and vocational rehabilitation.

The Administration's 2019 Request for the Rehabilitation Services account provides \$3.6 billion to support comprehensive and coordinated vocational rehabilitation for individuals with disabilities through direct services, training and technical assistance, and model demonstrations, as well as direct services to assist older individuals who are blind live more independently.

The \$3.5 billion request for the Vocational Rehabilitation (VR) State Grants program includes an increase of \$69.1 million over the fiscal year 2018 mandatory level, consistent with the inflationary increase specified in the authorizing statute, to assist States and tribal governments in increasing the participation of individuals with disabilities in the workforce. WIOA strengthened the alignment of the VR program with other components of the workforce development system to ensure a coordinated and streamlined system. As an integral partner in this system, the VR program is the primary Federal vehicle for assisting individuals with disabilities, particularly individuals with the most significant disabilities, to prepare for, obtain, retain, or advance in high quality employment.

For fiscal year 2019, the Administration requests \$9.3 million for the Demonstration and Training programs, an increase of \$3.5 million over the fiscal year 2018 annualized continuing resolution level. The requested increase would support an Inclusive Apprenticeships Center (IAC) that would further the goals of the President's Executive Order on Expanding Apprenticeships in America (E.O. 13801) by expanding apprenticeship opportunities for individuals with disabilities, particularly individuals with significant disabilities.

Consistent with the President's fiscal year 2018 Budget request, no funds are requested for the Supported Employment State Grants program. The Administration recognizes that supported employment can be an effective strategy in assisting individuals with the most significant disabilities to obtain competitive employment in integrated settings. However, the Administration believes that a separate supplemental grant program is not necessary for the provision of supported employment services and the proposed elimination would reduce unnecessary administrative burden and streamline program administration at the Federal and State levels.

REHABILITATION SERVICES

Summary of Request

All other programs in the Rehabilitation Services account would be maintained at the 2017 appropriation level. The Administration believes that this level will provide sufficient funds for the activities in these programs.

REHABILITATION SERVICES

Vocational rehabilitation State grants

(Rehabilitation Act of 1973, Title I, Parts A, B (Sections 110 and 111), and C)

(dollars in thousands)

FY 2019 Authorization: \$3,521,990¹

Budget Authority:

	<u>2018</u> <u>Annualized CR</u>	<u>2019</u>	<u>Change from</u> <u>Annualized CR</u>
State grants	\$3,412,742	\$3,478,238	+\$65,496
Indian set-aside	<u>40,189</u>	<u>43,752</u>	<u>+3,563</u>
Total	3,452,931 ²	3,521,990	+69,059

¹ The Vocational Rehabilitation State Grants program was reauthorized in July 2014 by the Workforce Innovation and Opportunities Act of 2014. The authorizing statute specifies that the amount to be appropriated for a fiscal year be at least the level of the prior fiscal year increased by the 12-month percentage change (from October to October) in the Consumer Price Index for all Urban Consumers (CPIU). For fiscal year 2019 this amount is \$3,521,990 thousand, an increase of 2.0 percent. The authorizing statute also requires that not less than 1.0 percent, and not more than 1.5 percent, of the appropriation for each fiscal year for VR State Grants be set aside for Grants for American Indians.

² The total amount shown in the 2018 column is the mandatory amount for the VR State Grants program and does not include the sequester reduction for mandatory programs pursuant to the Budget Control Act of 2011. The reduced level for 2018 subsequent to the 6.6 percent sequester that went into effect on October 1, 2017, is \$3,225,037,554, a reduction of \$227.9 million.

PROGRAM DESCRIPTION

The Vocational Rehabilitation (VR) State Grants program supports formula grants to States that provide individuals with disabilities, particularly individuals with the most significant disabilities, the services they need to obtain competitive integrated employment. Grant funds are administered by VR agencies designated by each State. There are currently a total of 79 State VR agencies. Thirty-three States operate a “combined” agency serving all disability categories. Twenty-three States operate a separate agency for individuals who are blind or visually impaired and a “general” agency for all other disability categories. The authorizing legislation requires the program to be funded at no less than the prior year level, increased by the percentage change in the Consumer Price Index for Urban Consumers.

Workforce Development System

The Vocational Rehabilitation (VR) State Grants program was reauthorized in July of 2014 in Title IV of the Workforce Innovation and Opportunity Act (WIOA). WIOA supports the Nation’s primary programs and investments in employment services, workforce development, adult education, and vocational rehabilitation. WIOA is designed to align workforce development, education, and economic development programs with regional economic development strategies to meet the needs of local and regional employers, and to provide services through a comprehensive, accessible, high-quality workforce development system. The one-stop system,

REHABILITATION SERVICES

Vocational rehabilitation State grants

established under 121(e) of WIOA, operates through a network of centers in each State that provide a variety of services to assist individuals to meet their employment and training needs, while also assisting local employers to meet their needs for qualified personnel.

The VR State Grants program is a core program and a required partner in the one-stop service delivery system. As such, it is subject to provisions in the Rehabilitation Act under Title IV of WIOA, as well as applicable provisions under Title I of WIOA. For a State to be eligible to receive Federal funds for the core programs, the Governor must submit a unified State plan, including the VR plan. After approval of the VR portion of the plan by the Commissioner of the Rehabilitation Services Administration (RSA), the unified State plan is subject to the approval of both the Secretaries of Labor and Education. Final implementing regulations for the State VR and Supported Employment programs (Titles I and VI of WIOA), including rules on the use of subminimum wages under section 511 of the Rehabilitation Act (Title V of WIOA), as well as the jointly administered activities for the WIOA core programs (e.g., unified and combined state plans, performance accountability, and the one-stop system) were published on August 19, 2016.

Performance Accountability

Title I of WIOA establishes six performance accountability measures that apply across the core programs, including the VR program, to assess the effectiveness of States and local areas in achieving positive outcomes for individuals served by those programs. For WIOA core programs, including the State VR Grants program, States must report the results of the following primary performance indicators set forth in section 116 of WIOA.

- Employment Rate – 2nd Quarter After Exit: The percentage of program participants who are in unsubsidized employment during the second quarter after exit;
- Employment Rate – 4th Quarter After Exit: The percentage of program participants who are in unsubsidized employment during the fourth quarter after exit;
- Median Earnings – 2nd Quarter After Exit: The median earnings of program participants who are in unsubsidized employment during the second quarter after exit;
- Credential Attainment: The percentage of those participants enrolled in an education or training program (excluding those in on-the-job training and customized training) who attain a recognized postsecondary credential or a secondary school diploma, or its recognized equivalent, during participation, in or within one year after, exit from the program.
- Measurable Skill Gains: The percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable skill gains (defined as documented academic, technical, occupational, or other forms of progress) towards such a credential or employment; and
- Effectiveness in Serving Employers: Three approaches designed to gauge critical workforce needs of the business community are currently being piloted, including: retention with the same employer; repeat business customers, and; employer penetration rate. During the pilot, States must select two of the three approaches.

REHABILITATION SERVICES

Vocational rehabilitation State grants

VR agencies provide a wide range of services designed to help persons with disabilities prepare for and engage in competitive integrated employment, to the extent of their capabilities. Individuals who are eligible for assistance include those with a physical or mental impairment that results in a substantial impediment to employment, but who can benefit in terms of an employment outcome and also require VR services. Program services are tailored to the specific needs of the individual through an individualized plan for employment (IPE). The VR program provides a variety of services, such as vocational evaluation, counseling, education, vocational training, job placement, rehabilitation technology, supported employment services, and treatment of mental or physical conditions, that may reasonably be expected to reduce or eliminate an impediment to employment. Priority is given to serving individuals with the most significant disabilities.

This is a current-funded formula grant program that provides financial assistance to States to cover the cost of direct services and program administration. Funds become available for obligation from October 1 of the fiscal year in which they are appropriated and remain available through September 30 of that year. The State matching requirement is 21.3 percent, except for the cost of construction of a facility for community rehabilitation program purposes, in which case the non-Federal share is 50 percent. If a State has met all matching requirements for the fiscal year in which funds were appropriated, the State may carry over unobligated Federal funds for an additional year. States must also maintain non-Federal expenditures at no less than the level spent during the fiscal year 2 years earlier. Amendments made by WIOA to section 111 of the Rehabilitation Act allow the Department to reduce a State's VR grant by the amount of a Maintenance of Effort (MOE) deficit from any previous fiscal year. Previously, only the subsequent fiscal year's grant could be reduced and the Department was required to recover penalties that were discovered after the subsequent fiscal year through an audit disallowance.

An allotment formula that takes into account population and per capita income is used to distribute funds among the States. Each State is required to reserve and use at least 15 percent of their Federal VR State Grant allotment to support pre-employment transition services for students with disabilities, provided in accordance with new section 113 of the Rehabilitation Act. Each State is also required to reserve and use a portion of the Federal funds received under the VR State Grants program for innovation and expansion activities authorized in section 101(a)(18).

The fiscal year 2017 State distributions were based on the July 1, 2015 estimates published in December 2015. The fiscal year 2018 State distributions are based on the July 1, 2016 estimates published in December 2016. The fiscal year 2019 State distributions are based on the July 1, 2017 estimates published in December 2017. Per capita income averages for fiscal 2017 are based on Bureau of Economic Analysis revised estimates for calendar years 2011, 2012, and 2013 as reported by the Department of Commerce on September 30, 2014. Per capita income averages for fiscal years 2018 and 2019 are based on Bureau of Economic Analysis revised estimates for calendar years 2013, 2014, and 2015 as reported by the Department of Commerce on September 28, 2016.

REHABILITATION SERVICES

Vocational rehabilitation State grants

American Indian VR Services (AIVRS)

The Rehabilitation Act requires that not less than 1.0 percent or more than 1.5 percent of the funds appropriated for the VR State grants program be set aside for grants under the AIVRS program (section 121 of the Act). Service grants for up to 5 years are awarded to Indian tribes on a competitive basis to help tribes develop the capacity to provide VR services to American Indians with disabilities living on or near reservations. Amendments made to the AIVRS program by WIOA require the Department to reserve not less than 1.8 percent and not more than 2 percent of the funds set aside for AIVRS to provide training and technical assistance to governing bodies of Indian tribes located on Federal and State reservations.

Funding levels for the past 5 fiscal years were as follows:

Fiscal Year	(dollars in thousands)
2014.....	\$3,064,305 ¹
2015.....	3,091,614 ¹
2016.....	3,161,130 ¹
2017.....	3,164,054 ¹
2018.....	3,225,038 ¹

¹ The amounts shown for 2014 through 2018 reflect the sequester reduction for mandatory programs pursuant to the Budget Control Act of 2011 (P.L. 112-25). The mandatory appropriation was reduced by 7.2 percent in 2014, 7.3 percent in 2015, 6.8 percent in 2016, 6.9 percent in 2017, and 6.6 percent in 2018.

FY 2019 BUDGET REQUEST

For fiscal year 2019, the Administration requests \$3.5 billion for the VR State Grants programs, \$69.1 million over the fiscal year 2018 mandatory level, to help States and Tribal governments increase the participation of individuals with disabilities in the workforce. The fiscal year 2019 request reflects the current estimate of the mandatory amount required by the authorizing statute. Of the amount requested, \$43.8 million must be set aside to support grants under the American Indian Vocational Rehabilitation Services (AIVRS) program.

While individuals with disabilities are a vital and integral part of American society, some face particular barriers to high-quality employment. Although many people with disabilities are obtaining jobs and remaining employed, the unemployment rate for people with disabilities is still very high. For example, in the “Persons with a Disability: Labor Force Characteristics” report released in June 2016 (2015 data), the U.S. Bureau of Labor Statistics released results from the Current Population Survey indicating that of those aged 16-64 (U.S. working age population), people with sensory, physical, mental, and/or self-care disabilities are significantly less likely to be employed (either full time or part time) than people without such disabilities (26.9 percent versus 72.2 percent, respectively) and that only 19.2 percent of working-age individuals with disabilities were usually working full-time. Of those people with disabilities who were employed, 28.8 percent usually worked part time (less than 35 hours per week) compared to 16.8 percent of people without such disabilities. In addition, employed persons with a

REHABILITATION SERVICES

Vocational rehabilitation State grants

disability were more likely to be self-employed (10.0 percent) than those with no disability (6.3 percent).¹

Through the workforce development system, WIOA fosters new opportunities for innovation and collaboration across Federal, State, and local agencies, private organizations, and employers. WIOA also promotes increased access to employment, education, training, and support services to assist individuals with employment barriers, such as individuals with disabilities and youth, to succeed in the competitive labor market. The VR State Grants program is a critical component of the workforce development system and continues to be the primary Federal vehicle for assisting individuals with disabilities, particularly individuals with the most significant disabilities, to obtain competitive integrated employment. Nationally, there are approximately 1.3 million eligible individuals with disabilities in various phases of the vocational rehabilitation process within the VR system, about three-quarters of who had an individualized plan for employment (IPE) during fiscal year 2016. About 94 percent of these individuals were individuals with significant disabilities.

Consistent with the Secretary's ongoing focus on ensuring that State and local entities have flexibility and autonomy in administering Federal education programs, WIOA recognizes that local businesses are best positioned to inform the workforce development system. Within this system, local economies drive alignment between programmatic services and industry needs, thereby increasing opportunities for job-seekers. To take advantage of these opportunities, individuals with disabilities must acquire the skills needed to compete for, obtain, and advance in the same type of high quality jobs and high demand careers as persons without disabilities. Amendments to the VR State Grants program made by WIOA emphasize the importance of fostering working relationships between State VR agencies and business, including expanding the scope of services that a VR agency may provide to employers for the benefit of individuals with disabilities in achieving competitive integrated employment. Through these relationships with business, VR agencies are able to provide the services necessary to assist individuals with disabilities to gain the requisite skills and training, thereby promoting careers that match employers' needs in the local area.

WIOA includes new unified State planning requirements intended to build positive cooperative working relationships between VR agencies and employers. Requiring VR agencies to plan how they will work collaboratively with employers, forces VR agencies to be thoughtful and strategic about building these relationships in order to expand work-based learning and employment opportunities for individuals with disabilities in their communities. The emphasis on the provision of services to students and youth with disabilities under WIOA also heightens the importance of the relationships between VR agencies and employers. The cooperative working relationships that VR agencies foster with employers will be especially critical for the development of work-based learning experiences for students with disabilities with respect to the provision of pre-employment transition services. Apprenticeships are a growing strategy for connecting more workers with the skills they need to get jobs and offer youth and adults with disabilities a career pathway that provides competitive integrated employment. Recognizing the value of apprenticeships in providing affordable

¹ <https://www.bls.gov/news.release/disabl.htm>

REHABILITATION SERVICES

Vocational rehabilitation State grants

pathways to secure high-paying jobs, the President signed Executive Order 13801 (June 25, 2017), which seeks to expand access to and participation in apprenticeships, particularly the number of apprenticeships in sectors that do not currently have sufficient apprenticeship opportunities. With its mentoring and on-the-job training components, apprenticeship programs can be a highly successful strategy to recruit, train, and retain individuals with disabilities in both traditional and other high-growth industries.

Given the constantly changing workforce trends and demands, more pre-apprenticeship opportunities are also needed to help ensure that people interested in becoming apprentices, including people with disabilities, have the requisite skills and transferable competencies needed to enter apprenticeship programs and to succeed. Pre-apprenticeship experiences provide participants with on-the-job training, the ability to fulfill meaningful job responsibilities, and the opportunity to hone employment skills. Lessons learned from early Federal investments highlight that youth and adults benefit from soft skill development, career exploration, individualized services, and competency training models that facilitate the acquisition of skills¹.

In addition, a major concern in the workforce community is the gap between applicants' skills and employers' needs. This concern also relates to employers' apprehensions about hiring people with disabilities; they fear that the applicant may not be suitable due to limited work experience or skills.¹ In collaboration with its workforce partners, VR State agencies can play an important role in promoting the value of apprenticeships as a strategy for ensuring that individuals with disabilities can demonstrate to employers that they have the required competencies. State VR agencies can also play an important role in working with apprenticeship programs to ensure that individuals with disabilities can successfully participate in such programs. For example, State agencies can provide a variety of services and supports that are beneficial to both employers and eligible individuals participating in or seeking apprenticeships including, vocational assessment, career exploration, job readiness training, identifying assistive technology devices and accommodations, and job coaching, job restructuring, and/or post-employment services as necessary.

Despite the Department of Labor's efforts to promote apprenticeships in recent years, a majority of disability-serving organizations that work with people with disabilities may not be aware of the potential that exists for creating apprenticeship or pre-apprenticeship programs and of the important role they can play in partnering with sponsors to support making such opportunities available to more people with disabilities. In recent years, the Department's Rehabilitation Service Administration (RSA) has directed discretionary resources to improve the ability of State VR agencies to work with employers and training providers and to promote career pathways and work-based learning experiences for individuals with disabilities. Information on these

¹ Registered Apprenticeship Programs: Improving the Pipeline for People with Disabilities, Economic Systems Inc., July 2015. White paper funded by the Department of Labor, Office of Disability Employment Policy. <https://www.dol.gov/odep/pdf/ApprenticeshipReport.pdf>

REHABILITATION SERVICES

Vocational rehabilitation State grants

investments can be found on the Department's website.¹ State VR agencies are implementing a number of initiatives to build better working relationships and increase coordination with employers and workforce partners to improve opportunities for individuals with disabilities to engage in employment in the competitive labor market. However, RSA is only aware of two States that have active, productive relationships with apprenticeship programs (i.e., Nebraska and South Carolina). To further the goals of the President's Executive Order on Expanding Apprenticeships in America (E.O. 13801), the Administration's fiscal year 2019 request for the Special Demonstration and Training programs includes funds to support a 5-year Inclusive Apprenticeship Center that would provide intensive and targeted technical assistance to State VR agencies, business and industry, trade and labor organizations, and current and potential apprenticeship sponsors to expand apprenticeship opportunities for individuals with disabilities, particularly individuals with significant disabilities.

While the Department is optimistic that changes resulting from WIOA will improve performance of the VR program in the long-term, we recognize that State VR agencies face significant implementation challenges, particularly where such changes are likely to increase program costs and the demand for services. Currently, 60.7 percent of the 56 general and combined State VR agencies (2 more than in fiscal year 2017) and 13 percent of the 23 State VR agencies serving blind individuals have established an "order of selection," consistent with program regulations at 34 CFR 361.36, because they cannot serve all eligible persons and must first serve those individuals with the most significant disabilities. Without additional resources, increased costs coupled with new set-asides and workforce infrastructure supports will strain resources for providing direct services to VR consumers. The requested increase, although subject to the sequestration of mandatory programs under Budget Control Act of 2011, will provide some assistance to States in addressing these resource challenges.

Disability Innovation Fund

In order to receive their full Federal VR allotment, States must provide the required non-Federal share (21.3 percent) and have met their maintenance of effort (MOE) requirement for the previous year. In recent years, the economic downturn negatively affected a number of States' ability to meet these requirements. Section 110(b)(2) of the Rehabilitation Act requires the Commissioner of RSA to make available for reallocation to States any funds that were allotted but not utilized by a State to carry out the VR program, if they will be able to use such additional amounts during the current or subsequent fiscal year, provided they are able to pay the non-Federal share of the cost in the fiscal year for which the funds are appropriated. Historically, the Department had been able to reallocate all of the funds that had been returned or unallotted due to MOE penalties because the request for additional funds exceeded the amounts available for reobligation. However, in fiscal years 2009 through 2015, there was a significant increase in the amount of funds returned by States, and there were fewer States that requested additional funds during reallocation because they were unable to match the Federal funds. As a result, the

¹ <https://www2.ed.gov/about/offices/list/osers/rsa/programs.html>

REHABILITATION SERVICES

Vocational rehabilitation State grants

amount of funds returned by States at the end of the fiscal year, or remained unobligated due to MOE penalties, exceeded the additional funds requested.

Beginning with the fiscal year 2012 appropriation, Congress provided authority to use amounts that remained available subsequent to the reallocation of funds to States under the VR State Grants program to conduct innovative activities aimed at improving outcomes for individuals with disabilities (Disability Innovation Fund or "DIF"). Absent authority provided in appropriations language, these annual funds would lapse and no longer be available for Federal obligation.

Promoting Readiness of Minors in Social Security Income (FY 2012 and 2013 VR Funds)

In the fiscal year 2012 and 2013 appropriation bills, Congress provided authority to use these unobligated funds to improve the education and employment outcomes of children receiving Supplemental Security Income (SSI) and their families, including authority for the funds to remain available for Federal obligation for an additional 12-month period. In fiscal year 2013, VR funds remaining from the 2012 appropriation were used to award 5-year grants to five States and a consortium of six States for model demonstration projects (MDPs) under the Promoting Readiness of Minors in Social Security Income (PROMISE) program. PROMISE is a joint initiative with the Social Security Administration (SSA) and the Departments of Health and Human Services (HHS) and Labor. Under the PROMISE program, States have developed partnerships and are implementing interventions designed to improve the provision and coordination of services and supports for children who receive SSI and their families and achieve outcomes that lead to increased economic self-sufficiency and a reduction in their dependence on SSI payments. A rigorously designed national evaluation of PROMISE is being conducted under a contract with SSA, in collaboration with the Department. The evaluation will result in several products, one of which was a series of early assessment reports that have assessed issues related to the implementation of the evaluation in each program and have provided recommendations for evaluation-related technical assistance.

In fiscal year 2014, the Department used \$92.5 million in unobligated VR funds that became available from the fiscal year 2013 appropriation for the VR State Grants program to cover continuation costs of the MDPs, as well as the costs of the PROMISE technical assistance center grant awarded in fiscal year 2014. By the end of the recruitment period in April 2016, all six projects met their project recruitment goals, with a total of 13,444 participants enrolled across the six projects. Approximately one-half of the children and families enrolled were placed in the treatment group and receive project services. Program participants in the intervention group are receiving services that include paid competitive employment opportunities.

For example, since 2015, 875 Arkansas PROMISE adults have completed PROMISE plans identifying long-term education and career goals, and approximately 895 youth have completed PROMISE plans identifying long-term education and career goals. Arkansas PROMISE youth have engaged in 891 paid work experiences with more than 300 employers. As of December 2017, 762 Maryland PROMISE participants have secured paid employment experiences and 541 participants have engaged in financial education and 653 participants have had the full work incentives counseling. In Wisconsin, over 596 PROMISE family members and 496 youth

REHABILITATION SERVICES

Vocational rehabilitation State grants

have participated in paid community employment experiences. In addition, in California, 1,264 (87%) of parents/guardians have received such services as referrals to agencies/organizations, coaching, and family resource center support. Additional information can be found on the PROMISE technical assistance center's website.¹

In the first half of fiscal year 2018, the evaluation contractor will prepare drafts of MDP-specific process analysis reports. These reports will provide descriptions (through April 2017) of the different MDPs, including descriptions of participants and of the services available under PROMISE and usually available in the MDP site, including an analysis of changes of local partnerships under PROMISE. Final reports will be available in late fiscal year 2018. The evaluator will use these reports to inform the interim services and impact reports also due in late fiscal year 2018.

Automatic Personalization Computing Project (FY 2014 VR Funds)

The fiscal year 2014 appropriation included language that allows the Department to use funds that remain available subsequent to the reallocation of 2014 funds to State VR agencies to support activities under the PROMISE program and up to an additional \$20 million of such funds for other innovative activities aimed at improving outcomes for individuals with disabilities. The 2014 language also provided authority for the funds to remain available for Federal obligation until September 30, 2015. In fiscal year 2015, the Department used unobligated fiscal year 2014 VR funds (about \$37.2 million) to fully fund a 5-year innovative Automated Personalization Computing Project (APCP) (\$20 million), and to provide supplemental awards to support PROMISE activities (\$17.2 million).

The goal of the APCP is to ensure that individuals with disabilities can access computer information with personalized accommodations whether at home, school, or the workplace, as long as there is web access. Examples of such personalization could include font size or color, line-spacing, text-to-speech functionality, overall cognitive access (such as site simplification, or simple language), translation from one language to another, and volume levels of audio features. The 5-year project will develop an information technology (IT) infrastructure on which Internet-capable computers automatically run AT solutions customized for individual users with disabilities according to their preferences. In addition to piloting and testing the reliability of the infrastructure, the project will demonstrate the transferability of the automated personalization to ensure it can follow a person across multiple sites and multiple devices, and the scalability and sustainability of the model(s).

The APCP is designed as a public/private partnership and builds upon past research supported by the National Institute on Disability, Independent Living, and Rehabilitation Research (NIDILRR) on accessible computing, including its work with the World Wide Web Consortium's Web Accessibility Initiative, which sets international standards for Internet accessibility. The Department is partnering with NIDILRR (now administered by the Administration for Community Living in HHS), the National Institute of Standards and Technology, and the Access Board, among others, in overseeing this initiative.

¹ <http://www.promisetacenter.org/>.

REHABILITATION SERVICES

Vocational rehabilitation State grants

During fiscal year 2018, the APCP begins its third year of activities, transitioning from pre-pilot testing to pilot work with the selected American Job Centers. Results of pilot testing, including user experience feedback, will continuously inform refinement of the technology, support materials, and methods to be used in ongoing pilot implementations. In fiscal year 2019, pilot testing will expand to several high schools, a community college, and a community job center. The purpose of this pilot is to test the capabilities of the software's automatic transfer of preference settings to determine the role it can play in supporting transition of individuals from high school to the community college, and from the community college to job settings.

Transition Work-Based Learning Demonstrations (FY 2015 VR Funds)

Students with disabilities often have lower high school graduation rates, lower postsecondary enrollment rates, and higher unemployment rates than peers without disabilities.¹ To help address this problem, WIOA expanded the services and population of students with disabilities who may receive services under the VR program. In particular, States are required to reserve 15 percent of their VR allotment to provide pre-employment transition services identified in new section 113 of the Rehabilitation Act to students with disabilities who are eligible or potentially eligible for VR services. These pre-employment transition services include job exploration counseling, workplace readiness training, work-based learning experiences, counseling on opportunities for enrollment in comprehensive transition or postsecondary educational programs at institutions of higher education, and instruction in self-advocacy.

While there is emerging consensus about the practices, factors, or elements that appear to contribute to the delivery of optimal transition services, the evidence base for specific interventions aligned with these elements is very limited. However, work-based learning is widely considered a key component in improving outcomes for youth with disabilities. Research conducted by Richard Luecking and others over the last 10 years has shown a strong relationship between work experiences during secondary school and post-school employment for youth with disabilities. Research also indicates that work experiences for youth with disabilities, especially paid employment, can be effective in influencing post-school employment. However, strategies and interventions that are based on the most promising evidence of effectiveness in providing work-based learning experiences are needed.

Through the DIF authority, the Department awarded 5-year demonstration projects to five State VR agencies in fiscal year 2016 to identify and demonstrate work-based learning interventions for students with disabilities that are supported by research and rigorously evaluated. Information gained from these projects will be translated for use by State VR agencies in collaboration with their local partners to improve postsecondary and career outcomes for youth with disabilities. As with other DIF initiatives, the Department sought input in the early planning of this initiative from colleagues with related expertise in the Department, such as the Institute of Education Sciences, and our Federal partners from the Departments of Labor, HHS, and SSA.

¹ Leucking, D.M., & Luecking, R.G. (2015, May). Translating Research Into a Seamless Transition Model. *Career Development and Transition for Exceptional Individuals*, 38(1), 4-13.

REHABILITATION SERVICES

Vocational rehabilitation State grants

In their first project year (2017), the Transition Work-Based Learning Model Demonstration projects focused on hiring staff, completing cooperative agreements with appropriate agencies, refining their evaluation plans, and began the process of recruiting students for participation in their projects. In fiscal year 2018, the projects will continue to recruit students with disabilities and implement their service models. For example, Vermont's Linking Learning to Careers project is assisting students with disabilities to transition to early career success by connecting community college career consultants with VR services and school programming, enhanced by work-based learning, assistive technology, mentors, college courses, transportation, and training. Maine's Transition Work-Based Learning Model project is partnering with Jobs for Maine Graduates, the Institute for Community Inclusion at the University of Massachusetts Boston, American Institutes for Research, and the Council for Administrators of Vocational Rehabilitation to evaluate two innovative interventions using a progressive employment model. The Maryland Work-Based Learning Collaborative model is improving career outcomes for youth with disabilities by incorporating early referral to the VR agency, work-based learning experiences, integrated employment; and collaboration among the Maryland Division of Rehabilitation Services, local educational agencies, community rehabilitation programs, America's job centers, and employers.

DIF— Fiscal Year 2016 and Future Years

There were no unobligated VR State Grant funds remaining at the end of fiscal years 2016 or 2017 and all available funds were reallocated to States before the end of their respective fiscal years. After a record high in fiscal year 2012 (over \$100 million), the amount of available VR funds that were not reallocated to States by September 30 of that fiscal year had been gradually declining. In general, this trend suggested that States were slowly recovering from the earlier economic downturn and were stabilizing their spending patterns. In addition, the sequestration of mandatory funds in recent years has reduced the amount of funds State VR agencies would have otherwise received through the allotment formula and have been required to match. In fiscal years 2016 and 2017 there were more funds requested by States in the annual reallocation than there were available for the redistribution.

Similar to previous years, a small percentage of States returned grant funds they had been awarded in fiscal year 2017 either because they were unable to provide the required match or meet their maintenance of effort (MOE). A total of 9 States and 2 outlying areas returned some of their fiscal year 2017 grant funds (approximately \$100 million), while 30 States and 1 outlying area requested a total of nearly \$200 million in fiscal year 2017 reallocation funds. Three of the 11 VR agencies accounted for 62 percent of the returned funds. In addition, 7 State agencies had their fiscal year 2017 allotment reduced because they did not meet their fiscal year 2016 MOE requirement, and 1 State had an unrecovered prior year MOE penalty that was assessed in fiscal year 2017. The total amount of funds available for the fiscal year 2017 reallocation (MOE penalties plus funds relinquished) was \$106 million. This amount is approximately \$29 million less than the amount available for reallocation in fiscal year 2016.

The Department expects the number of State VR agencies that are unable to match their fiscal year 2018 and 2019 VR allocations to decline, while the number of States requesting an increase in funds during reallocation is expected to remain about the same or to slightly increase. The Department also expects that the number of States that are unable to meet their

REHABILITATION SERVICES

Vocational rehabilitation State grants

MOE requirement will decline. Thus, the Department expects to be able to reallocate all available grant funds to other State VR agencies in fiscal years 2018 and 2019.

American Indian Vocational Rehabilitation Services

In fiscal year 2019, the Department would set aside \$43.8 million for grants under the American Indian Vocational Rehabilitation Services (AIVRS) program. The request would enable the Department to provide support for 88 tribal VR projects, including 46 new awards and 42 continuation awards. These funds assist tribal governments to provide a program of VR services in a culturally relevant manner to American Indians with disabilities residing on or near reservations. Consistent with Section 121(c) of the Rehabilitation Act, the Department plans to reserve 1.8 percent of these funds to support training and technical assistance to governing bodies of Indian tribes located on Federal and State reservations.

New subsection 121(c) of the Rehabilitation Act requires the RSA to reserve not less than 1.8 percent and not more than 2 percent of the funds set aside from the State VR program (section 110(c) of the Act) for the AIVRS program to provide training and TA to governing bodies of Indian tribes that have received AIVRS grants under section 121(a) of the Act. The Department awarded a cooperative agreement in fiscal year 2015 to establish an AIVRS Training and Technical Assistance Center. Under the terms of the grant, the performance of the grantee will be evaluated during the first 3 years of the grant and a decision made on whether to extend funding for an additional 2 years.

PROGRAM OUTPUT MEASURES

Vocational rehabilitation State grants

<u>Output Measures</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Individuals receiving VR services under an IPE	950,000	950,000	950,000
Individuals with significant disabilities as a percent of all individuals receiving services	94%	94%	94%
Eligible individuals whose case files were closed	463,000	452,000	454,000
Individuals whose cases were closed and received VR services	333,000	322,000	324,000
Individuals achieving an employment outcome	178,000	180,000	182,000
Individuals with significant disabilities as a percent of all employment outcomes	94%	94%	94%

Note: Data shown for fiscal years 2017 through 2019 are projections based on actual data for fiscal years 2015 and 2016 from the RSA Quarterly Cumulative Caseload Report (RSA-113) and preliminary 2017 information. However, the transition to new data collection and reporting requirements during fiscal year 2017, as well as State efforts to prepare for the implementation of the WIOA accountability system, limit the usefulness of available data in making projections for fiscal years 2018 and 2019.

REHABILITATION SERVICES

Vocational rehabilitation State grants

American Indian vocational rehabilitation services

(dollars in thousands)

<u>Output Measures</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Project funding:			
New AIVRS project funds	0	0	\$22,000
Continuation AIVRS project funds	\$42,226 ¹	\$39,466	20,954
Technical assistance	774	723	788
Peer review of new awards applications	0	0	10
Number of AIVRS projects:			
New projects	0	0	46
Continuation projects	<u>88</u>	<u>88</u>	<u>42</u>
Total projects	88	88	88

¹ The total amount for continuations shown in the 2017 column of the table includes about \$3.4 million that will be used to pay a portion of the 2018 continuation costs.

PROGRAM PERFORMANCE INFORMATION

Performance Measures

This section presents selected program performance information, including, for example, GPRA goals, objectives, measures, and performance targets and data; and an assessment of the progress made toward achieving program results. Achievement of program results is based on the cumulative effect of the resources provided in previous years and those requested in fiscal year 2019 and future years, as well as the resources and efforts invested by those served by this program.

VR State Grants

Section 106 of the Rehabilitation Act, as amended by WIOA, requires that the VR standards and indicators be consistent with the performance accountability measures established under title I of WIOA, thereby eliminating the standards and indicators that previously served as the basis for most of the VR State Grant program GPRA measures. WIOA requires States that operate core programs of the publicly funded workforce system, including the VR State Grants program, to comply with common performance accountability requirements in section 116 of WIOA. In particular, section 116 of WIOA requires States that operate core programs to submit common performance data to demonstrate that specified performance levels are achieved. Required data for the core programs include those related to the primary performance indicators, participant counts and costs, and barriers to employment.

REHABILITATION SERVICES

Vocational rehabilitation State grants

Consistent with its WIOA partners, the Department will collect program performance data on a quarterly basis for a 12-month program year (PY) cycle from July to June, rather than on a fiscal year cycle from October to September as it has done in the past. For the first 9 months of fiscal year 2017, State VR agencies continued to report program-specific annual data on closed service records through the Case Service Report (RSA-911-14). State VR agencies are expected to fully collect and report quarterly data on the joint performance measures and other data through the revised Case Service Report (RSA-911-16) for PY 2017 that began on July 1, 2017. The transition from the RSA-911-14 to the RSA-911-16 reporting requirements during fiscal year 2017 limits the usefulness of data collected under the RSA-911-14 in making projections for fiscal years 2018 and 2019. The data collected under the RSA-911-16 follow new WIOA definitions thus making comparisons to prior years invalid. During PYs 2017 and 2018, States are collecting baseline data for reporting under the WIOA accountability system. States will use this baseline data in program year 2019 for developing performance targets for inclusion in their 2020 Unified/Combined State Plan submissions. Baseline data will also be used to provide output and outcome estimates, as well as projections for subsequent program years.

For GPRA reporting for fiscal years 2015, 2016, and 2017, the Department developed interim GPRA measures that are more aligned with the WIOA joint performance measures until State performance data on those measures are available. The interim GPRA measures use available data from the Case Service Report (RSA-911-14) which States continued to use through June 30, 2017 to assess program performance. Fiscal year 2016 performance data for these measures is presented below. Because these measures will only be used for a limited time, no targets have been established.

Interim VR Measures

Goal: Individuals with disabilities served by the Vocational Rehabilitation State Grant program will achieve high quality employment.

Objective: *Ensure that individuals with disabilities who are served by the Vocational Rehabilitation State Grant program achieve competitive integrated employment consistent with their particular strengths, resources, abilities, capabilities, interests, and informed choice.*

Measure: Percentage of participants who exited the VR program in competitive integrated employment.

In fiscal year 2016, 54.7 percent of the 328,414 participants who exited the VR program obtained competitive integrated employment, a slight increase as compared to fiscal year 2015 in which 54.3 percent of the 328,220 participants who exited the VR program obtained competitive integrated employment. State performance varied considerably in both years. For example, performance ranged from a low of 36.4 percent to a high of 69.4 percent in fiscal year 2016.

For the purposes of this interim measure and the interim measures below, A VR participant is an eligible individual who has an approved and signed IPE and has begun to receive services. A VR participant is reported to have exited the program when the participant's record of service is closed. Competitive integrated employment is work in the competitive labor market that is

REHABILITATION SERVICES

Vocational rehabilitation State grants

performed on a full-time or part-time basis in an integrated setting, and for which an individual is compensated at or above the minimum wage, but not less than the customary wage rate paid by the employer for the same or similar work performed by other individuals who are not disabled and who are similarly situated in similar occupations by the same employer and who have the similar training, experience, and skills, including eligibility for the same level of benefits. (See 34 CFR 361.5(c)(9)).

Measure: Median weekly earnings for participants who exited the VR program with a competitive integrated employment outcome.

The median weekly earnings for participants who exited the VR program with a competitive integrated employment outcome in fiscal year 2016 were \$315, compared to \$303 in fiscal year 2015. Among States, median weekly earnings at exit ranged from \$240 to \$568 in fiscal year 2016. It should be noted, however, that two of the five agencies that had median weekly earnings of over \$400 included the Northern Marianas and the Virgin Islands each of which had less than 35 participants who exited with a competitive integrated employment outcome in fiscal year 2016.

Median weekly earnings are based on RSA 911-14 State reported data for all 56 States, including the District of Columbia, Puerto Rico, and the 4 territories as defined in program regulations.

Objective: *Ensure that youth with disabilities who are served by the Vocational Rehabilitation State Grant program receive the education and training needed to achieve competitive integrated employment.*

Measure: Percent of youth participants who exit the VR program who received at least one of seven specified training services.

In fiscal year 2016, 43,827 of the 122,921 youth participants (35.7 percent) who were between the ages of 14 and 24 at the time of application and who exited the VR program in fiscal year 2016 received at least one of seven specified training services. However, State performance varies considerably; excluding the 4 territories, performance ranged from a high of about 76 percent to a low of about 8 percent in fiscal year 2016. In addition the number of youth participants who were between the ages of 14 and 24 at the time of application and who exited the VR program in fiscal year 2016 ranged from 263 to 9,544. Of the seven training services, the most frequently received was occupational or vocational training followed closely by 4-year college or university training. However, please note that under program regulations, training or training services in an institution of higher education (universities, colleges, community or junior colleges, vocational schools, technical institutes, or hospital schools of nursing or any other postsecondary education institution) may not be paid for with VR program funds unless maximum efforts have been made by the VR State agency and the individual to secure grant assistance in whole or in part from other sources to pay for that training.

For the purpose of this measure, youth participants are youth with a disability between the ages of 14 and 24 at the time of application to the VR program. Training services, for the purpose of this measure, include graduate college or university training, 4-year college or university

REHABILITATION SERVICES

Vocational rehabilitation State grants

training, junior or community college training, occupational or vocational training, apprenticeship training, basic academic remedial or literacy training, or miscellaneous training.

American Indian Vocational Rehabilitation Services

Performance Measures

Goal: To improve employment outcomes of American Indians with disabilities who live on or near reservations by providing effective tribal vocational rehabilitation services.

Objective: *Ensure that eligible American Indians with disabilities receive vocational rehabilitation services and achieve employment outcomes consistent with their particular strengths, resources, abilities, capabilities, and interests.*

Measure: The percentage of individuals who leave the program with employment outcomes, after receiving services under an individualized plan for employment.

Year	Target	Actual
2014	65%	67%
2015	66	68
2016	66	67
2017	67	
2018	67	
2019	67	

Additional information: Data for fiscal year 2016 show that 67 percent of the 3,203 individuals with disabilities who exited the program after receiving services in that year achieved an employment outcome, and the performance target for this measure was met. However, there is a wide variation in the reported number and percentage of individuals who achieve an employment outcome by individual AIVRS projects. In fiscal year 2016, the 83 of the 84 projects operating in that fiscal year (projects funded with fiscal year 2015 appropriations and 3 projects operating under a no-cost extension) reported that they assisted a total of 2,148 American Indians with disabilities to achieve an employment outcome. These numbers do not include data for one of the 84 projects that Rehabilitation Service Administration is working with to obtain updated information. Fiscal year 2017 data will be available in May 2018.

Efficiency Measures

The Department established two efficiency measures to ensure that AIVRS projects demonstrate effective fiscal management. These include cost per employment outcome and cost per participant.

Objective: *Ensure that AIVRS projects demonstrate effective fiscal management.*

REHABILITATION SERVICES

Vocational rehabilitation State grants

Measure: The percentage of AIVRS projects that demonstrate an average annual cost per employment outcome of no more than \$35,000.

Year	Target	Actual
2014	72%	80%
2015	76	68
2016	76	72
2017	76	
2018	76	
2019	76	

Additional information: This efficiency measure examines the percentage of AIVRS projects having a cost per employment outcome within a specified range. The source of data for this measure is the AIVRS Annual Reporting Form. At the national level, the average cost per employment outcome for this program is calculated by dividing the amount of the set-aside, excluding peer review costs, by the total number of individuals who achieved an employment outcome. In fiscal year 2016, AIVRS projects reported assisting a total of 2,148 individuals to obtain employment outcomes, 313 more than the total reported in fiscal year 2015. As a result, 62 projects demonstrated an average annual cost per employment outcome of no more than \$35,000, as compared to 57 projects in 2015. However, overall performance remains below the 2014 level. The median cost per employment outcome decreased from approximately \$25,000 in fiscal year 2015 to \$24,400 in fiscal year 2016. However, the cost per employment outcome varied significantly across projects. The Department expects that performance on this measure will continue to improve in fiscal year 2017 because the new projects awarded in fiscal year 2015 will be in their second project period.

Measure: The percentage of AIVRS projects that demonstrate an average annual cost per participant of no more than \$10,000.

Year	Target	Actual
2014	86%	83%
2015	86	71
2016	86	76
2017	80	
2018	80	
2019	80	

Additional information: At the national level, the average annual cost per participant for this program is calculated by dividing the amount of the set-aside, excluding peer review costs, by the total number of individuals who received services under an IPE. In fiscal year 2016, the 83 of the 84 projects operating in that fiscal year (projects funded with fiscal year 2015 appropriations and 3 projects operating under a no-cost extension) reported serving a total of 7,063 American Indians with disabilities, 429 more than were served in 2015, so the percentage of AIVRS projects that met the average annual cost per participant of no more \$10,000

REHABILITATION SERVICES

Vocational rehabilitation State grants

increased to 76 percent. However, performance remained below the target based on prior year levels and the target was not met. While the Department expects performance to improve slightly in fiscal year 2017, the target has been lowered to reflect an increase costs. The median annual cost per participant for the 86 projects reporting data was \$6,158 in fiscal year 2016.

REHABILITATION SERVICES

Client assistance State grants

(Rehabilitation Act of 1973, Title I, Section 112)

(dollars in thousands)

FY 2019 Authorization: \$13,805

Budget Authority:

<u>2018</u> <u>Annualized CR</u>	<u>2019</u>	<u>Change from</u> <u>Annualized CR</u>
\$12,912	\$13,000	+\$88

PROGRAM DESCRIPTION

The Client Assistance Program (CAP) provides grants to States for services to assist eligible individuals and applicants for the Vocational Rehabilitation (VR) State Grants program and other programs, projects, and services funded under the Rehabilitation Act (the Act). CAP focuses on promoting understanding of the rehabilitation services and benefits available under the Act, and advising eligible individuals of their rights and responsibilities in connection with those benefits. The program also offers eligible individuals and applicants a variety of other kinds of assistance, including assistance and advocacy in pursuing legal and administrative remedies to ensure the protection of their rights. State VR agencies are required to inform VR consumers about the services available from the CAP and how to contact the CAP. Also, States must operate a CAP in order to receive VR State grant funds.

States and outlying areas have adopted different organizational structures for meeting the requirement to establish a CAP in each State. Each Governor designates a public or private agency to operate a CAP. This designated agency must be independent of any agency that provides services under the Act, except in cases where the Act “grandfathered” agencies providing such services under the Act. If one of these “grandfathered” agencies should be restructured, the Governor is required to re-designate the CAP to an agency that does not provide services under the Act.

Designations for the 57 CAPs, including the CAP for the American Indian consortium, are as follows:

- 10 of the Governors have designated the CAP to external State agencies;
- 8 of the Governors have designated CAP agencies internal to the VR agency; and
- 39 of the Governors have designated CAP to private or non-profit organizations.

The CAP is a current-funded formula grant program. When appropriations exceed \$7.5 million, funds are distributed on the basis of population, with a minimum allotment of \$100,000 to each of the 50 States, D.C., and Puerto Rico and \$45,000 to each of the outlying areas. When the appropriation increases, the Act also requires the Secretary to increase the minimum allotments

REHABILITATION SERVICES

Client assistance State grants

for States and outlying areas by an amount not greater than the percentage increase in the appropriation.

The Workforce Innovation and Opportunity Act also requires that funds be set aside under this program for two activities before awarding grants to eligible States and outlying areas with the remaining funds. The first set-aside reserves funds, at the same amount as provided to outlying areas, for an award to the eligible system established under the Developmental Disabilities Assistance and Bill of Rights Act to serve the American Indian consortium. In addition, if the appropriation is equal to or exceeds \$14 million, the Secretary must set aside between 1.8 percent and 2.2 percent of the amount appropriated for training and technical assistance to CAPs established under this program. The fiscal year 2017 State distributions were based on the July 1, 2015 estimates published by the U.S. Census Bureau in December 2015. The fiscal year 2018 distributions are based on the July 1, 2016 estimates published in December 2016. The fiscal year 2019 distributions are based on the July 1, 2017 estimates published in December 2017.

Funding levels for the past 5 fiscal years were as follows:

Fiscal Year	(dollars in thousands)
2014.....	\$12,000
2015.....	13,000
2016.....	13,000
2017.....	13,000
2018.....	12,912

FY 2019 BUDGET REQUEST

The Administration requests \$13.0 million for fiscal year 2019 for CAP, an increase of \$88,000, to restore funding to the fiscal year 2017 level. The request will help ensure that individuals with disabilities who are applying for or receiving services funded under the Rehabilitation Act receive appropriate services and have access to administrative, legal, and other appropriate remedies needed to protect their rights.

Data collected by the Department's Rehabilitation Services Administration (RSA) for fiscal year 2016 from the most recent available RSA Annual Client Assistance Program Report (RSA-227) show that, nationwide, CAPs responded to 28,600 requests for information and referral (I&R). While the average number of I&R requests that States responded to was 502, the median number was 91. The most frequent I&R requests were for information regarding the VR program (45 percent).

In addition, CAPs provided extensive services to 5,113 individuals in fiscal year 2016. Approximately 96 percent of the cases in which extensive services were provided by the CAP involved applicants for, or recipients of, services from the VR program. In 93 percent of all cases, issues raised were related to the VR process or delivery of VR services. Of the 3,867 cases closed in fiscal year 2016, 1,603 cases (or 41 percent) were resolved through CAPs explaining the controlling policies to the individual; 747 cases (19 percent) resulted in the development or implementation of an IPE; and 590 cases (15 percent) of these cases resulted

REHABILITATION SERVICES

Client assistance State grants

in the reestablishment of communication between the individuals and other parties. In addition, 69 percent of the cases closed were resolved in the individual's favor.

The following activities provided in fiscal year 2016 are examples of CAP activities. Fiscal year 2019 funds may support similar activities.

- In California, CAP represented a consumer with mental health disabilities who wanted to work as a physical therapist. Before her application for vocational services, she had completed her Bachelor's Degree and became certified as a Physical Therapy Aid and Sports Therapy Aid. She requested VR services to become a physical therapist which, in California, requires a Doctorate of Physical Therapy and state licensure. The consumer participated in a psychological assessment to determine her eligibility for services and vocational needs. Both assessments supported her requested employment goal and her ability to benefit from training services. However, the VR agency denied her request, stating that it would only assist her with obtaining employment at her current level of education as a Physical Therapy Aid or a Sports Therapy Aid. The consumer disagreed with the denial of her vocational goal and training services and requested an Administrative Review.

The CAP contacted the VR agency to clarify the consumer's concerns. The VR agency, misinterpreting a state regulation to mean that the VR agency is only obligated to provide training services that allow the consumer to obtain entry-level employment at her current level of education, again denied the consumer's request. VR program regulations at §361.42(a)(1)(iii) clarify that an applicant meeting all other eligibility criteria may be determined eligible if he or she requires services to advance in employment, not just obtain or maintain employment. The CAP requested mediation and an administrative hearing on the consumer's behalf to appeal the denial. At mediation, the parties were able to come to an agreement that an IPE would be developed within 30 days for the vocational goal of Physical Therapist that includes training services for a doctorate degree at an approved physical therapy program. The CAP then represented the consumer in informal negotiations with the VR agency to develop her IPE. As a result of this representation, the consumer has obtained an IPE that includes a goal that matches her interests, skills, and abilities, with the services and supports needed for her to become a successful physical therapist.

- In New Jersey, the CAP intervened on behalf of a 61-year-old individual diagnosed with mild cognitive and visual impairment resulting from brain surgery. The client, formerly a teacher with 25 years of teaching experience, contacted the CAP when the VR agency informed him they could not assist him. A CAP advocate attended a meeting with the VR agency and the client and advocated for the provision of appropriate vocational rehabilitation services. The client agreed to attend a 25-day program recommended by the VR agency to evaluate his ability to work competitively. However, citing poorly defined provider program goals unrelated to his vocational goal, the client expressed dissatisfaction with the assessment report's recommendation that he remain in the program an additional 60 days. Based on the client's concerns, the CAP advocated for alternative services. An agreement was reached for the client to attend a short-term cognitive rehabilitation program to address residual memory and organizational deficits. The client completed the program and shortly afterwards secured part-time employment as a tutor in the school district where he was previously employed.

REHABILITATION SERVICES

Client assistance State grants

- In Hawaii, a 53 year-old individual who was working full time who needed assistive technology equipment to allow him to maintain his employment contacted CAP when he was determined by the VR agency to be ineligible for VR services. When the CAP advocate was assigned the case, he investigated the case and was told by the VR counselor that the client was found ineligible not because he didn't have a qualifying disability, but because it was determined he was not at risk of losing his job. Upon further questioning of the VR counselor, the CAP advocate was informed that the counselor had not spoken or otherwise communicated with the client's work supervisor. The CAP advocate held a conference call with the client, the VR counselor and the VR supervisor and it was agreed the counselor would contact the client's supervisor at work. The very next day, the client was found eligible for VR services and a meeting was scheduled for the client to develop an IPE necessary to acquire assistive technology that would allow him to maintain his employment.
- In Missouri, CAP assisted a 46 year-old individual diagnosed with brittle bone disease and a hearing impairment in obtaining services from the VR agency. The consumer sought additional job training and certification that would allow him to be employed. The client had been an electrician when he became disabled due to bone fusions. VR had previously assisted the client to obtain an Associate's and Bachelor's degree in Information Technology Project Management. However, the client was unable to find employment in the field of his choice and identified additional training and certification was needed for this field. The advocate provided advocacy services with the client during a meeting with the VR agency and during the development of an IPE matching the client's goal for employment as an Information Technology Project Manager. The VR agency agreed to assist the client in obtaining the proper certifications for A+, Networking, and Security via a one-to-one instructor from a local college and in assisting in job placement.

PROGRAM OUTPUT MEASURES

<u>Output Measures</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Information inquiries/referrals	34,400	34,200	34,400
Individuals provided case services	5,000	4,800	5,000

NOTE: Data for fiscal years 2017 through 2019 are projected from actual final data reported for fiscal years 2015 and 2016, and preliminary fiscal year 2017 data on requests for information and the provision of extensive service through RSA Annual Client Assistance Program Report (RSA-227). Final data for fiscal year 2017 will be available in May of 2018.

PROGRAM PERFORMANCE INFORMATION

Performance Measures

This section presents selected program performance information, including, for example, GPRA goals, objectives, measures, and performance targets and data, and an assessment of the progress made toward achieving program results. Achievement of results is based on the cumulative effect of the resources provided in previous years and those requested in fiscal year

REHABILITATION SERVICES

Client assistance State grants

2019 and future years, as well as the resources and efforts invested by those served by this program.

Goal: To provide assistance and information to help individuals with disabilities secure the benefits available under the Vocational Rehabilitation State Grants program and other programs funded under the Rehabilitation Act of 1973, as amended.

Objective: Accurately identify problem areas requiring systemic change and engage in systemic activity to improve services under the Rehabilitation Act.

Measure: The percentage of CAPs that reported that their systemic advocacy resulted in changes in policy or practice.

2014	72%	78%
2015	74	72
2016	74	68
2017	74	
2018	72	
2019	72	

Additional information: CAPs address numerous systemic issues related to the provision of VR and other services under the Act. CAPs utilize a variety of methods to achieve changes in policies and practices, including individual advocacy, participation in the policymaking process, and negotiation with State agencies. Permanent systemic change is very difficult to achieve, and some States undertake activities that may take years to accomplish. All CAPs are engaged in work that should ultimately result in systemic change, but this indicator measures only those States that report their activity as complete. Thus, performance on this measure often varies from year to year. Data are compiled from narrative reports submitted by all CAPs. A random sample of files is cross-checked with reported data to verify the data quality. The grantees input their data into the RSA Management Information System (MIS), which has edit checks to verify the accuracy of the information entered into the data fields. The information provided is based on data from 56 State designated CAPs and the American Indian Consortium CAP authorized in the amendments to the Rehabilitation Act under Title IV of WIOA.

CAP performance on this measure has increased over time, as the baseline established in 1999 was 43 percent (24 of 56 agencies). Performance on this measure jumped from 73 percent in fiscal year 2013 to 78 percent in fiscal year 2014 (an increase of 4 agencies) and the targets for this measure were increased for future years. However for the past 2 years, performance has dropped below the fiscal year 2013 level. In fiscal year 2016, only 68.4 percent of the CAP agencies (39 of 57 agencies) reported that their systemic advocacy resulted in changes in policy or practice, 2 less than in fiscal year 2015, and the target was not met. Based on analysis of data from fiscal years 2013 through 2016, the Department has adjusted the targets for fiscal years 2018 and 2019 for this measure. Performance data for fiscal year 2017 will be available in June 2018.

REHABILITATION SERVICES

Client assistance State grants

Objective: *Resolve cases at lowest possible level.*

Measure: The percentage of cases resolved through the use of alternative dispute resolution (ADR).

Year	Target	Actual
2014	98%	99%
2015	98	98
2016	98	99
2017	98	
2018	98	
2019	98	

Additional information: The information provided is based on data from 56 State designated CAPs and the American Indian Consortium CAP authorized in the amendments to the Rehabilitation Act under Title IV of WIOA. For fiscal year 2016, 3,930 of the 3,983 cases closed (98.7 percent) were resolved through the use of ADR strategies, such as technical assistance, negotiation and mediation. The percentage of cases being resolved through the use of ADR strategies has consistently ranged from about 97 to 99 percent. The use of such intervention strategies to resolve consumer complaints reduces the need for lengthy and costly interventions such as formal hearings and litigation. Performance data for fiscal year 2017 will be available in June 2018.

REHABILITATION SERVICES

Training

(Rehabilitation Act of 1973, Title III, Section 302)

(dollars in thousands)

FY 2019 Authorization: \$38,719

Budget Authority:

<u>2018</u> <u>Annualized CR</u>	<u>2019</u>	<u>Change from</u> <u>Annualized CR</u>
\$29,188	\$29,388	+ \$200

PROGRAM DESCRIPTION

The purpose of the Training program is to ensure that skilled personnel are available to meet the rehabilitation needs of individuals with disabilities assisted through other vocational rehabilitation (VR) and independent living programs. The program supports training and related activities designed to increase the number of qualified personnel providing rehabilitation services. Grants and contracts are awarded to States and public and nonprofit agencies and organizations, including institutions of higher education (IHEs), to pay all or part of the cost of conducting training programs.

Awards may be made in any of 31 long-term training fields, in addition to awards for continuing education, short-term training, experimental and innovative training, and training interpreters for persons who are deaf or hard of hearing and persons who are deaf-blind. These training programs vary in terms of content, methodology, and type of trainee. For example, the Long-Term Training program supports academic training grants that must direct 75 percent of the funds to trainee scholarships. Students who receive financial assistance from projects funded under the program are required to pay back such assistance, either by maintaining acceptable employment in public or private non-profit rehabilitation agencies for a period of time after they complete their training, or by making a cash repayment to the Federal Government.

The Training program authority requires recipients of grants under the Long-Term Training program to build closer relationships between training institutions and State VR agencies, promote careers in public vocational rehabilitation programs, identify potential employers who would meet students' payback requirements, and ensure that data on student employment are accurate. Training of statewide workforce systems personnel is authorized under the Training program, and such training may be jointly funded by the Department of Labor. Statewide workforce systems personnel may be trained in evaluation skills to determine whether an individual with a disability may be served by the VR State grants program or another component of the statewide workforce system.

REHABILITATION SERVICES

Training

Funding levels for the past 5 fiscal years were as follows:

Fiscal Year	(dollars in thousands)
2014.....	\$33,657
2015.....	30,188
2016.....	30,188
2017.....	29,388
2018.....	29,188

FY 2019 BUDGET REQUEST

For fiscal year 2019, the Administration requests \$29.4 million for the Training program, an increase of \$200 thousand over the fiscal year 2018 annualized continuing resolution (CR) level. In fiscal year 2019, approximately \$11.1 million would be used to support new awards (including peer review costs) and approximately \$18.0 million would be used to support continuation awards.

The Training program is designed to support programs that provide training to new VR staff or upgrade the qualifications of existing staff. In recent years, the major focus of the program has been to address the shortage of qualified State VR agency staff by supporting long-term training programs at IHEs to train new counselors and administrators. Currently, VR agencies are undergoing dramatic turnover due to the retirement of a large number of qualified counselors. According to 2013 data from State VR agencies, there were 1,622 vacancies out of the 17,655 total positions (9.1 percent of positions vacant) nationwide in these offices. Over the next 5 years, these agencies projected an additional 5,201 vacancies. This would mean that, in the next few years, State VR agencies may need to successfully fill 39 percent of existing positions just to maintain current staffing levels. The Department believes that similar shortages, though not as severe, will also affect other VR providers in the same timeframe. To address this issue, the Department has sought to target funds to address those areas of greatest need. Additionally, 75 percent of the funds awarded to universities under the Long-Term Training (LTT) program go directly to students for tuition assistance and stipends. Since this tuition assistance must be repaid through work in State VR agencies and other appropriate work settings, the Department believes that the LTT program is the best mechanism for recruiting new graduates into the rehabilitation field. As such, the Department plans to award approximately \$11.1 million in new grants in this area in fiscal year 2019.

In fiscal year 2019, the Department would also continue support for technical assistance to State VR agency personnel and their partners to improve use of promising practices that have the potential to improve the performance of the VR program. Beginning in fiscal year 2014, the Department shifted its technical assistance strategy under this program from a network of comprehensive, regionally-based centers to supporting a series of targeted, topical centers that focus on providing a wide range of support to State VR agency personnel nationwide on a specific set of issues (see, for example, <http://www.wintac.org>).

REHABILITATION SERVICES

Training

PROGRAM OUTPUT MEASURES

(dollars in thousands)

<u>Output Measures</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Program Funding:			
Long-Term Training:			
New	0	0	\$11,062
Continuations	\$18,541	\$18,388	7,703
Subtotal	<u>18,541</u>	<u>18,388</u>	<u>18,765</u>
Technical Assistance:			
Continuations	<u>7,353</u>	<u>7,499</u>	<u>7,228</u>
Subtotal	<u>7,353</u>	<u>7,499</u>	<u>7,228</u>
Short-Term Training:			
Continuations	<u>200</u>	<u>200</u>	<u>200</u>
Subtotal	<u>200</u>	<u>200</u>	<u>200</u>
Training for Interpreters for Individuals who are Deaf and Deaf-Blind:			
Continuations	<u>2,400</u>	<u>2,400</u>	<u>2,400</u>
Subtotal	<u>2,400</u>	<u>2,400</u>	<u>2,400</u>
Other Activities:			
Continuations	<u>600</u>	<u>400</u>	<u>491</u>
Subtotal	<u>600</u>	<u>400</u>	<u>400</u>
Program Totals:			
New	0	0	11,062
Continuations	29,094	28,887	18,022
Peer review of new award applications	0	0	10
Minority Outreach ¹	<u>294</u>	<u>301</u>	<u>294</u>
Total	<u>29,388</u>	<u>29,188</u>	<u>29,388</u>

¹ Section 21(b) the Rehabilitation Act requires the Rehabilitation Services Administration to set aside 1 percent of funds appropriated under this account for minority outreach activities.

PROGRAM PERFORMANCE INFORMATION

Performance Measures

This section presents selected program performance information, including, for example, GPRA goals, objectives, measures and performance targets and data; and an assessment of the

REHABILITATION SERVICES

Training

progress made toward achieving program results. Achievement of program results is based on the cumulative effect of the resources provided in previous years and those requested in fiscal year 2019 and future years, and the resources and efforts invested by those served by this program.

Goal: To provide the public vocational rehabilitation (VR) sector with well-trained staff and to maintain and upgrade the skills of current staff.

Objective: *To provide graduates who work within the vocational rehabilitation (VR) system to help individuals with disabilities achieve their goals.*

Annual Performance Measures

This program has two annual performance measures. Both of these measures are designed to provide information on various aspects of the program, including its ability to address the shortage of State VR agency counselors and staff and the proportion of scholars fulfilling their payback requirements. While these measures alone do not provide a comprehensive view of the Training program, the Department believes that they do provide evidence as to the efficacy of the program and its expenditures.

Measure: The percentage of masters-level counseling graduates fulfilling their payback requirements through employment in State Vocational Rehabilitation agencies.

Year	Target	Actual
2014	45%	32%
2015	47	30
2016	47	30
2017	45	29
2018	45	
2019	40	

Additional Information: The Department annually collects data about scholars through the Payback Reporting Form, which grantees submit by November 30 of each year. According to the Act, program graduates are able to meet the requirements of their payback through employment in a number of different types of agencies, including employment in private VR agencies or in related State agencies, such as special education. While program graduates are not mandated to meet their service obligation by working in State VR agencies, the Department believes that these agencies should be the main employer of these graduates, especially given the current and future shortages outlined above

The proportion of Masters-level counseling graduates fulfilling their payback requirements through employment in State VR agencies has decreased consistently since 2005, while the proportion opting for different employment settings to fulfill payback requirements has grown. Of all graduates, 63 percent were fulfilling their service obligation in some form of acceptable employment in 2017, with a majority of the employed graduates opting to work in settings other than the State VR agency. This overall trend may have been the result of a confluence of factors, including, but not limited to, the range of acceptable employment for meeting the service obligations outlined in statute, State hiring freezes, and the salary and working conditions in

REHABILITATION SERVICES

Training

State VR agencies relative to those in other acceptable employment settings. When combined with the lower salary offered by State VR agencies compared to private firms, it may be that more program graduates are opting to seek employment elsewhere, while still meeting the terms of their service obligation.

To address this issue, in 2014, the Department developed new priorities for all LTT competitions that required, where appropriate, that students in LTT programs complete internships or practicum experiences in State VR agencies as a requirement for their program of study. We believe that these requirements will provide students with hands-on experience in State VR agencies, helping them to build rapport with current staff in those agencies and hopefully increasing the number of graduates who are willing to accept positions in such agencies.

Measure: The percentage of RSA-supported masters-level graduates fulfilling their payback requirements through acceptable employment.

Year	Target	Actual
2014	85%	78%
2015	80	74
2016	83	73
2017	85	71
2018	85	
2019	85	

Additional Information: Using the annual Payback Reporting Form, grantees are required to report the number of Rehabilitation Services Administration (RSA)-supported graduates fulfilling their payback requirements through acceptable employment. This measure captures all Masters-level program graduates who received RSA-supported scholarships. It also includes individuals maintaining acceptable employment in all acceptable agencies, not just State VR agencies. The Act requires that all program graduates maintain acceptable employment for at least 2 years for every year they received assistance from an RSA-supported grant. However, only four in five scholars are currently doing so. Among all program graduates, including those receiving undergraduate and graduate degrees and certificates, 63 percent were fulfilling their payback requirements through acceptable employment in 2017. It is possible that some portion of program graduates are receiving waivers of their payback requirements for various reasons, including exceptions and deferrals provided in accordance with 34 CFR 386.41, such as permanent disability or full-time enrollment in an institution of higher education. It is also possible that some subset of individuals who received scholarship support opt to obtain employment in for-profit rehabilitation agencies and simply repay their initial scholarship as if it were a loan. Without further information, the Department cannot determine the extent to which these explanations hold, but RSA has revised the Payback Reporting Form to be used by grantees in order to significantly improve the quality and accuracy of the data RSA receives about scholars.

REHABILITATION SERVICES

Training

Efficiency Measures

Measure: The Federal cost per RSA supported rehabilitation counseling graduate at the masters level.

Year	Target	Actual
2014	\$24,000	\$20,596
2015	24,000	
2016	24,000	
2017	24,000	
2018	24,000	
2019	24,000	

Additional Information: The measure is calculated by dividing the total funds spent on long-term training during a fiscal year by the number of graduates supported under that program during the same fiscal year. The Department calculates this measure for individual cohorts of grantees by dividing the sum of all project costs supported with Federal funds (across all years of each individual scholar's training) by the number of degree recipients who successfully completed funded training programs closing in that year. The Federal cost per RSA-supported graduate is in line with similar measures in other programs supporting training at the Masters level. However, there remains wide variation across types of programs and projects. Data for 2015 are expected in spring 2018.

REHABILITATION SERVICES

Demonstration and training programs

(Rehabilitation Act of 1973, Title III, Section 303)

(dollars in thousands)

FY 2019 Authorization: \$6,668

Budget Authority:

<u>2018</u> <u>Annualized CR</u>	<u>2019</u>	<u>Change from</u> <u>Annualized CR</u>
\$5,757	\$9,296	+\$3,539

PROGRAM DESCRIPTION

Demonstration and Training programs support activities to expand and improve the provision of rehabilitation and other services authorized under the Rehabilitation Act (the Act). Eligible entities receive support through competitive grants and contracts. These current-funded discretionary programs are also authorized to support activities that increase the provision, extent, availability, scope, and quality of rehabilitation services under the Act, including related research and evaluation activities.

The majority of projects currently supported under Demonstration and Training programs are designed to increase employment opportunities for individuals with disabilities by expanding and improving the availability and provision of rehabilitation and other services. These projects are intended to increase employment outcomes for individuals for whom vocational rehabilitation services were previously unavailable or who previously did not take advantage of such services.

Other activities authorized and currently funded under the Act include:

- Section 303(b) of the Rehabilitation Act authorizes the support of activities to demonstrate methods of service delivery to individuals with disabilities, as well as activities such as technical assistance, systems change, studies and evaluation, and dissemination and utilization of project findings. Eligible entities include State Vocational Rehabilitation (VR) agencies, community rehabilitation programs, Indian tribes or tribal organizations, other public or nonprofit agencies or organizations, and for-profit organizations. Competitions may be limited to one or more type of entity.
- Section 303(c) of the Act authorizes a parent information and training program to enable individuals with disabilities, and the parents, family members, guardians, advocates, or other authorized representatives of the individuals to participate more effectively with professionals in meeting the vocational, independent living, and rehabilitation needs of individuals with disabilities.
- Section 303(d) of the Act authorizes a Braille training program to support the cost of training in the use of braille for personnel providing vocational rehabilitation services or educational services to youth and adults who are blind.

REHABILITATION SERVICES

Demonstration and training programs

Funding levels for the past 5 fiscal years were:

Fiscal Year	(dollars in thousands)
2014	\$5,796
2015	5,796
2016	5,796
2017	5,796
2018	5,757

FY 2019 BUDGET REQUEST

For fiscal year 2019, the Administration requests \$9.3 million for the Demonstration and Training programs, an increase of \$3.5 million over the fiscal year 2018 annualized continuing resolution level. The requested increase would support an Inclusive Apprenticeships Center (IAC) that is intended to further the goals of the President's Executive Order on Expanding Apprenticeships in America (E.O. 13801). The proposed 5-year IAC would provide intensive and targeted technical assistance (TA) to State VR agencies, business and industry, trade and labor organizations, and current and potential apprenticeship sponsors to expand apprenticeship opportunities for individuals with disabilities, particularly individuals with significant disabilities. The IAC would be developed in consultation with Department of Labor (DOL) and would build on the knowledge gained from the Department's recent employer engagement and job-driven employment investments, as well as apprenticeship resources made available through DOL, including the Office of Disability Employment Policy (ODEP).

The IAC would work in collaboration with State VR agencies and other key partners to increase the participation of individuals with disabilities in existing apprenticeship programs, through the identification and provision of technical assistance and services to employers, training providers, and apprentices. The Center would also educate potential employers and apprenticeship sponsors about reasonable accommodations and employing individuals with disabilities. Through the VR program, State agencies can provide a variety of services and supports that are beneficial to both employers and eligible individuals participating in or seeking apprenticeships including, vocational assessment, career exploration, job readiness training, identifying assistive technology devices and accommodations, and job coaching, job restructuring, and/or post-employment services as necessary. The IAC would also provide technical assistance to develop new apprenticeship and pre-apprenticeship programs designed to accommodate the needs of individuals with disabilities in high demand occupations. Building on the existing work in State VR agencies related to customized training and career pathways, the Center would develop these opportunities into full apprenticeship programs that involve individuals with disabilities from the start.

Apprenticeships provide paid, relevant workplace experiences and opportunities to develop skills that employers value and provide affordable paths to good jobs and, ultimately, careers. Apprenticeship programs, including pre-apprenticeship programs, offer youth and adults with disabilities a career pathway that provides competitive integrated employment as the individual learns on the job. While apprenticeship programs have traditionally been more prevalent in the

REHABILITATION SERVICES

Demonstration and training programs

building and construction trade occupations, apprenticeships can be found in all industries, including in high demand occupations that are suitable for individuals with a broad range of abilities given reasonable accommodations. DOL's Apprenticeship Office reports that there are more than 21,000 registered apprenticeship programs across the nation, including over 1,700 new apprenticeship programs that were established in fiscal year 2016. New programs are continually being added to the apprenticeship program rolls, with over 1,300 occupations recognized as apprenticeable by DOL.¹

Although Federal legislation mandates that youth and young adults with disabilities have equal opportunity to benefit from the full range of career and technical educational programs and services available to their peers without disabilities, research conducted by ODEP in 2007 and 2012 revealed that youth and young adults with disabilities rarely participate in apprenticeship programs (See Training and Employment Notice No. 04-15 at https://wdr.doleta.gov/directives/attach/TEN/TEN_04-15_Acc.pdf).

There have been efforts at the Federal level by DOL's Office of Apprenticeship and ODEP to expand the participation of individuals with disabilities in apprenticeship programs. For example, in July 2015, ODEP released a DOL-funded paper by Systems Inc., entitled *Registered Apprenticeship Programs: Improving the Pipeline for People with Disabilities*, that highlights prior apprenticeship initiatives that have focused on persons with disabilities, along with challenges and lessons learned about the participation of individuals with disabilities in apprenticeship programs. <https://www.dol.gov/odep/pdf/ApprenticeshipReport.pdf>. In particular, ODEP's website <https://www.dol.gov/odep/topics/youth/apprenticeship.htm> includes informational resources and tool kits, primarily designed for employers, to promote the inclusion of individuals with disabilities in apprenticeship programs. However, support is needed to more effectively engage the collaboration of State VR agencies and their workforce partners in expanding apprenticeship opportunities for this population, and to expand the use of best practices at State and local levels.

DOL recently published new equal employment opportunity (EEO) regulations designed to help employers grow and diversify their apprenticeship programs and ensure equal employment opportunities in apprenticeship programs for traditionally under-represented groups, including individuals with disabilities. Previous rules did not include nondiscrimination or affirmative action requirements on the basis of disability. Apprenticeship programs are now obligated to provide reasonable accommodations to apprentices with disabilities. The new rules also clarify expectations for outreach, recruitment, and retention activities.

The Presidents' Executive Order coupled with the recent EEO regulations creates a unique opportunity to expand employment opportunities for individuals with disabilities through apprenticeship and pre-apprenticeship programs. State VR agencies and VR providers bring to

¹ U.S. Department of Labor's List of Occupations Officially Recognized as Apprenticeable by the Office of Apprenticeship, Revised March 2016 https://www.doleta.gov/OA/bul16/Bulletin_2016-28_Attachment1.pdf

REHABILITATION SERVICES

Demonstration and training programs

the table relevant knowledge and expertise, as well as the services and supports that can bridge the needs of employers and individuals with disabilities.

The fiscal year 2019 request would also support approximately \$345 thousand in new awards for braille training under section 303(d) and approximately \$1.1 million in new awards for parent information and training programs consistent with section 303(c) of the Rehabilitation Act. Braille training programs provide training in the use of braille for personnel providing vocational rehabilitation services or educational services to youth and adults who are blind. Parent information and training programs assist individuals with disabilities, their families, advocates, or other authorized representatives of the individuals to participate more effectively with professionals in meeting the vocational, independent living, and rehabilitation needs of individuals with disabilities.

The request also provides funds to support approximately \$3 million in continuations of four 5-year career pathways model projects that were initially funded in fiscal year 2015. The career pathways model projects are demonstrating strategies to help youth and adults with disabilities acquire marketable skills and industry-recognized credentials through better alignment of education, training, employment, and human and social services among public agencies and with employers. Grantees are State VR agencies or a consortium of State VR agencies in partnership with other key entities, such as State and local educational agencies, community rehabilitation providers, 2-year and 4-year postsecondary educational institutions (including vocational and technical schools), and employers.

In fiscal year 2018, the National Technical Assistance Center on Transition (NTACT)¹ that is jointly funded by Office of Special Education Programs and the Rehabilitation Services Administration (RSA) will receive its last year of funding. NTACT helps State Education Agencies, Local Education Agencies, State VR agencies, and VR service providers implement evidence-based and promising practices ensuring students with disabilities, including those with significant disabilities, graduate from high school prepared for success in postsecondary education and employment. States' need for collaborative TA focused on pre-employment transition services and cross-agency collaboration has increased with the implementation of amendments to the Rehabilitation Act under the Workforce Innovation and Opportunities Act. RSA and OSEP are exploring options for continued investments in this area for fiscal year 2019.

¹ <http://www.transitionta.org/>

REHABILITATION SERVICES

Demonstration and training programs

PROGRAM OUTPUT MEASURES

(dollars in thousands)

<u>Output measures</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Program funding:			
Inclusive Apprenticeship Initiative (new award)			\$3,500
Career Pathways (continuation awards)	\$3,319	\$3,806 ¹	3,010
Technical assistance			
New award			1,261
Continuation award	726 ²	400	
Braille training			
New awards			345
Continuation awards	328	328	
Parent information and training			
New awards			1,063
Continuation awards	1,165	1,165	
Young Adult Diversion project	200 ³	0	0
Peer review of new award applications	0	0	24
Minority Outreach	<u>58</u>	<u>58</u>	<u>93</u>
Total, Program funding	5,796	5,757	9,296
Number of awards:			
New awards	1	0	12
Continuation awards	<u>16</u>	<u>16</u>	<u>4</u>
Total, Number of awards	17	16	16

¹ The total amount for continuations shown in the 2018 column of the table includes about \$396 thousand that will be used to pay a portion of the 2019 continuation costs for these awards.

² These funds are used to jointly support the National Technical Assistance Center on Improving Transition to Postsecondary Education and Employment for Students with Disabilities which also receives funding from the Office of Special Education programs. About \$326 thousand of FY 2017 funds were used to support a supplement contributing to this TA Center.

³ In FY 2017, RSA made a one-time contribution to a joint (Departments of Education and Justice) young adult diversion initiative that will provide technical assistance to communities to support the development and strengthening of interventions that reduce reliance on incarceration, improve career and technical educational attainment, and reduce recidivism of justice-involved young adults. Specifically, Demonstration and Training programs funds will be used to provide VR services to justice-involved young adults with significant disabilities.

REHABILITATION SERVICES

Demonstration and training programs

PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including, for example, GPRA goals, objectives, measures and performance targets and data; and an assessment of the progress made toward achieving program results. Achievement of program results is based on the cumulative effect of the resources provided in previous years and those requested in fiscal year 2019 and future years, and the resources and efforts invested by those served by this program.

Approximately 60 percent of the funds provided for the Demonstration and Training program are used to support model demonstration projects. Therefore, the Department's GPRA measures for this program are focused on these projects.

Vocational Rehabilitation Career Pathway for Individuals with Disabilities (CPID) Demonstration Projects

Goal: To develop replicable promising practices in the use of career pathways by VR State agencies to assist eligible individuals with disabilities, including youth with disabilities, to acquire marketable skills and recognized postsecondary credentials, and thus and secure competitive integrated employment in high-demand, high-quality occupations.

***Objective:** Increase the number of career pathways accessible to individuals with disabilities, the number of individuals who obtain competitive employed through those career pathways, and the weekly earnings, and benefits of those who obtain competitive employment through CPID-funded activities.*

Measure: The total number of distinct career pathways accessed or created through CPID.

Year	Target	Actual
2016	n/a	39
2017	77	71
2018	85	
2019	94	

Additional Information: Using the baseline established in the first year of project data collection (2016), each of the four grantees determines a target cumulative number of career pathways to be accessed or created by the project for each (succeeding) project year against which the grantee's progress will be measured. Annual targets and actual performance data for grantees are aggregated in order to assess annual program performance under this measure. Through 2017, the CPID demonstration projects accessed or created a cumulative total of 71 distinct career pathways, or a total of 32 more than were accessed or created during the first year of the project (2016). However, the cumulative total was slightly less than the 77 distinct pathways the grantees had set as a target cumulative total for 2017.

REHABILITATION SERVICES

Demonstration and training programs

Measure: The total number of VR-eligible individuals who achieve competitive integrated employment through CPID-accessed or created career pathways.

Year	Target	Actual
2016		3
2017	107	84
2018	171	
2019	222	

Additional Information: Using the baseline established in the first year of project data collection (2016), each of the four grantees determines a target number of VR-eligible individuals who will achieve competitive integrated employment through career pathways accessed or created by the project for each (succeeding) project year against which a grantee's progress will be measured. Annual targets and actual performance data for each grantee are aggregated in order to assess annual program performance under this measure. In 2016, the grantees reported limited employment outcomes because very few individuals had completed project services. In 2017, 84 VR-eligible individuals achieved competitive integrated employment through CPID-accessed or created career pathways. While less than the total number of competitive employment outcomes set as a target for the four projects, significant progress was made toward achieving the goal.

Measure: The average weekly wages of VR-eligible CPID participants who obtained competitive integrated employment, as compared to the average weekly wages of VR consumers who are not participating in a CPID project.

The average weekly wage for this measure will be calculated based on the weekly wages reported for each of the CPID project participants who obtained competitive integrated employment across all four projects for each reporting year.

The Department intends to compare the average weekly wages of VR-eligible CPID participants with non-participants. Meaningful comparisons require the selection of a VR non-participant cohort that matches the salient characteristics (nature and significance of disability, demographic profile, etc.) of the CPID cohort. However, the data needed for these comparisons is not yet available. Comparison data are expected to be available by May 2019 once statistically valid methodologies and data can be generated.

REHABILITATION SERVICES

Protection and advocacy of individual rights (Rehabilitation Act of 1973, Title V, Section 509)

(dollars in thousands)

FY 2019 Authorization: \$20,305

Budget Authority:

<u>2018</u> <u>Annualized CR</u>	<u>2019</u>	<u>Change from</u> <u>Annualized CR</u>
\$17,530	\$17,650	+\$120

PROGRAM DESCRIPTION

The Protection and Advocacy of Individual Rights (PAIR) program supports statewide systems to protect the legal and human rights of individuals with disabilities who are ineligible for protection and advocacy (P&A) services provided under Part C of the Developmental Disabilities Assistance and Bill of Rights Act, the Protection and Advocacy for Individuals with Mental Illness Act, or who need P&A services that are beyond the scope of the Client Assistance Program. The purpose of this program is to provide assistance and information to eligible individuals with disabilities and conduct advocacy to ensure the protection of their rights under Federal law. States may use these funds to plan and carry out P&A programs for eligible individuals with disabilities and to develop outreach strategies to inform individuals with disabilities of their rights.

Funds must be set aside under this program for two activities before awarding grants to eligible States and outlying areas with the remaining appropriation. If the appropriation is equal to or exceeds \$5.5 million, the Secretary must first set aside between 1.8 percent and 2.2 percent of the amount appropriated for training and technical assistance to eligible systems established under this program. In addition, the Rehabilitation Act of 1973 (the Act) requires that in any year in which the total appropriation exceeds \$10.5 million, the Secretary must award \$50,000 to the eligible system established under the Developmental Disabilities Assistance and Bill of Rights Act to serve the American Indian consortium. The Secretary distributes the remainder of the appropriation to the eligible systems within the States and outlying areas based on population estimates and after satisfying minimum allocations. The fiscal year 2017 distributions were based on the July 1, 2015 estimates published by the U.S. Census Bureau in December 2015. The fiscal year 2018 distributions are based on the July 1, 2016 estimates published in December 2016. The fiscal year 2019 distributions are based on the July 1, 2017 estimates published in December 2017.

The Act also requires the Secretary to increase the minimum allotments for States and outlying areas by an amount not greater than the percentage increase in the total amount appropriated for this program for the previous fiscal year. The Act establishes a minimum allotment of \$100,000 for States, or one-third of 1 percent of funds remaining after the technical assistance set-side and grant for the American Indian consortium, whichever is greater. The outlying areas

REHABILITATION SERVICES

Protection and advocacy of individual rights

receive a minimum allotment of \$50,000. The program is current-funded, but States and outlying areas may carry over unobligated Federal funds for an additional year.

Funding levels for the past 5 fiscal years were as follows:

Fiscal Year	(dollars in thousands)
2014	\$17,650
2015	17,650
2016	17,650
2017	17,650
2018	17,530

FY 2019 BUDGET REQUEST

The Administration requests \$17.650 million for fiscal year 2019 for the PAIR program, an increase of \$120,000, to restore funding to the fiscal year 2017 level. PAIR funds support statewide systems to protect the legal and human rights of individuals with disabilities who are ineligible for protection and advocacy (P&A) services provided under other P&A programs or who need P&A services that are beyond the scope of the Client Assistance Program. The request will assist PAIR programs to provide information and P&A services to over 50,000 individuals with disabilities in fiscal year 2019. The Department plans to reserve 1.8 percent of the funds requested (\$317,700) to provide training and technical assistance to eligible statewide systems established under this program, as required by the authorizing statute.

During fiscal year 2016, PAIR programs nationwide reported handling 11,626 cases and responded to 39,260 requests for information or referral. Of the individual cases handled by PAIR programs in that year, the greatest numbers of issues were primarily in the areas of education (16 percent), government benefits/services (14 percent), health care (13 percent), employment (12 percent) and housing (11 percent). Over half (55 percent) of these individuals were between the ages of 23 and 59. The most frequent primary disability categories (the ones directly related to the issues/complaints raised) reported for such individuals were orthopedic impairments (27 percent), neurological impairments (15 percent), and sensory disabilities such as visual and hearing impairments.

In addition to providing representation to individuals, PAIR programs address systemic issues faced by persons with disabilities through a variety of methods, including negotiations with public and private entities and class action litigation. In fiscal year 2016, 48 out of the 57 PAIR programs (84 percent) reported that these activities resulted in changes in policies and practices benefiting individuals with disabilities.

The following examples of case services provided in fiscal year 2016 illustrate how PAIR programs assist individuals and, in some cases, bring about systemic change. Funds requested in fiscal year 2019 will support similar activities.

The *Alabama Disabilities Advocacy Program* attended meetings of the Alabama State Department of Education's (ALSDE) Charter School Commission to ensure that the rights and needs of students with disabilities are appropriately considered and accommodated in the

REHABILITATION SERVICES

Protection and advocacy of individual rights

course of the implementation of the state's new charter school legislation. In devising its contract with charter school operators, the ALSDE Charter School Commission better understood the application and service practices to monitor in evaluating applications of new charter schools and in evaluating their practices once in operation as related to students with disabilities, including issues related to outreach, enrollment, discipline and service planning. As a result, students with disabilities seeking admission into charter schools are less likely to be excluded from admission or denied services required under the Individuals with Disabilities Education Act or Section 504 of the Rehabilitation Act.

Disability Rights Oregon (DRO) has been representing a blind job seeker for the past 3 years. He is a computer technical support person and has also worked in customer service positions. He came to DRO after being denied many jobs because the jobs required an applicant to complete a computerized test as part of the application. Virtually all of the employment agencies and employers used tests that were inaccessible to a person using JAWS, the computer software for people with visual impairments. DRO and co-counsel researched the scope of the problem, and found that two companies offered testing services worldwide, with thousands of on-line applications and tests, none of which were accessible to the visually impaired. DRO, working with attorneys for the National Federation of the Blind, helped the job seeker file a charge with the EEOC, which ultimately resulted in a Commissioner's charge against one of the largest companies marketing the inaccessible tests. After years of negotiation, an accessible test was developed.

Disability Rights Pennsylvania (DRP) entered into a comprehensive settlement agreement with defendants to resolve a Fair Housing Act (FHA) lawsuit (Fair Housing Council of Suburban Philadelphia v. Wagner Enterprises, Ltd.) that challenged a developer's violation of the FHA's accessibility requirements for newly-constructed condominiums in Northampton County. Under the agreement, the defendant will: (1) retrofit curb ramps and a sidewalk in the development that did not meet FHA guidelines so that there are accessible routes to the common areas; (2) lower mail boxes within reach; (3) make the entrances, interior doorways, and thermostats accessible in the four units it owns; and (4) provide notice to owners of other units offering the opportunity to make accessibility modifications for up to five additional units. DRP is monitoring implementation of the settlement agreement, as construction work has begun on the accessibility improvements that will provide increased access for current or prospective condominium residents.

After determining that a school system had discriminated against a large group of students with disabilities who received special transportation services, *Disability Rights Tennessee* (DRT) successfully ensured that those students in a rural Tennessee county are provided a free and appropriate public education. It was determined that the students were being dismissed from school approximately 30 minutes early every day depriving them of significant instructional time and considered discriminatory under Section 504 of the American with Disabilities Act. DRT demanded that this practice be stopped immediately and asked for compensatory tutoring for all students involved. As a result, the transportation services policy for students with disabilities was revised to ensure that the dismissal times are consistent with the dismissal times of general education students. Further, compensatory services were offered to the 20 students impacted by the early dismissal time.

REHABILITATION SERVICES

Protection and advocacy of individual rights

PROGRAM OUTPUT MEASURES

<u>Output Measures</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Information inquiries/referrals	38,000	38,000	38,000
Individuals provided case services	11,000	11,000	11,000

NOTE: Data are projected from actual data reported by PAIRs for fiscal years 2015 and 2016 on the number of requests for information and provision of case services to individuals with disabilities. Final data for fiscal year 2017 will be available in June 2018.

PROGRAM PERFORMANCE INFORMATION

Performance Measures

This section presents selected program performance information, including, for example, GPRA goals, objectives, measures, and performance targets and data; and an assessment of the progress made toward achieving program results. Achievement of results is based on the cumulative effect of the resources provided in previous years and those requested in fiscal year 2019 and future years, and the resources and efforts invested by those served by this program.

Goal: To provide assistance and information to individuals with disabilities eligible for the Protection and Advocacy of Individual Rights program and conduct advocacy to ensure the protection of their rights under Federal law.

Objective: *Identify problem areas requiring systemic change and engage in systemic activities to address those problems.*

Measure: The percentage of PAIR programs that reported that their systemic advocacy resulted in a change in policy or practice.

Year	Target	Actual
2014	91%	93%
2015	91	86
2016	91	84
2017	91	
2018	88	
2019	88	

Additional information: Because PAIR programs cannot address all issues facing individuals with disabilities solely through individual advocacy, they seek to change public and private policies and practices that present barriers to the rights of individuals with disabilities, utilizing negotiations and class action litigation. Successful performance under this measure is calculated by the number of PAIR programs reporting a change in policy or practice that results from their intervention. The performance target for this measure (91 percent or 52 of 57 PAIR

REHABILITATION SERVICES

Protection and advocacy of individual rights

programs) was met in fiscal years 2013 and 2014. However, performance in fiscal years 2015 and 2016 has decreased. In fiscal year 2016, 48 of the 57 PAIR programs (84 percent) reported that their systemic advocacy resulted in a change in policy or practice in that year, a decrease of 3 programs. Based on a review of these data, preliminary 2017 data, and other program information, RSA has reduced the targets for fiscal years 2018 and 2019 to 88 percent (50 of 57 PAIR programs). Final fiscal year 2017 data will be available in June 2018.

REHABILITATION SERVICES

Supported employment State grants (Rehabilitation Act of 1973, Title VI)

(dollars in thousands)

FY 2019 Authorization: \$31,691

Budget Authority:

2018 Annualized CR	2019	Change from Annualized CR
0 ¹	0	0

¹ These funds are undistributed during the FY 2018 Continuing Resolution pending final Congressional action on the FY 2018 Budget for the Rehabilitation Services account. Neither the House nor the Senate Appropriation Committees included funding for the Supported Employment State Grants program in their FY 2018 appropriation bills. The amount of these undistributed funds at the FY 2018 annualized continuing resolution level is \$27,361,000.

PROGRAM DESCRIPTION

The purpose of the Supported Employment (SE) State Grants program is to assist States in developing collaborative programs with appropriate public and private non-profit organizations to provide supported employment services for individuals with the most significant disabilities. Under this formula grant program, State vocational rehabilitation (VR) agencies receive supplemental funds to assist VR consumers with the most significant disabilities in achieving the employment outcome of supported employment. Section 7(38) of the Rehabilitation Act defines “supported employment” as competitive integrated employment, including customized employment, or employment in an integrated work setting in which an individual with a most significant disability, including a youth with a most significant disability, is working on a short-term basis toward competitive integrated employment; and that is individualized and customized, consistent with the individual’s unique strengths, abilities, interests, and informed choice, including with ongoing support services for individuals with the most significant disabilities.

Supported employment uses a “place-train” model in which individuals with the most significant disabilities are placed in a job and provided intensive services and supports. These services are typically provided by a job coach in conjunction with supports provided by the employer to train the individual on the job site, followed by extended services after the individual’s ability to perform the job with support has stabilized. These services and support enable individuals with the most significant disabilities who, because of the nature and severity of their disability, need ongoing support to engage in and maintain competitive integrated employment.

An individual's potential for supported employment must be considered as part of the assessment to determine eligibility for the Title I VR State Grants program. VR funds are used to pay the costs associated with assessment and the determination of eligibility, as well as other needed VR services prior to placement in supported employment. Ongoing services are furnished by the VR agency, using funds under the Supported Employment program and/or the

REHABILITATION SERVICES

Supported employment State grants

VR program, from the time of job placement until the transition to extended services, and thereafter by one or more extended services providers. A State VR agency may support an individual's supported employment services solely with VR State Grant funds, or it may support these services in whole or in part with funds under the SE State Grants program.

Recent amendments to Title VI of the Rehabilitation Act made by the Workforce Innovation and Opportunities Act of 2014 (WIOA) significantly change the provision of supported employment services. Such changes include, for example, extending the time frame for the provision of supported employment services from 18 months to 24 months. However, the most significant of these changes focus on the provision of services to youth with the most significant disabilities.

Consistent with the previous authority, State VR agencies must still demonstrate evidence of their efforts to identify and make arrangements with other public or nonprofit agencies or organizations within the State, employers, natural supports, and other entities with respect to the provision of extended services. However, under the new law State VR agencies must now make extended services available to youth with the most significant disabilities with funds available under the SE program, based upon the individual needs of the youth for a period not to exceed 4 years. Furthermore, section 604(b)(2) under the SE program permits VR agencies to use VR program funds to pay for extended services to youth with the most significant disabilities who have received supported employment services. Extended services are those services provided to individuals with the most significant disabilities by a State agency, a private non-profit organization, employer, or any other appropriate resource once an individual has concluded services from the State VR agency. State VR agencies were previously prohibited from using the Federal funds received under the VR and SE programs for extended services. State VR agencies are still prohibited from providing extended services to individuals with the most significant disabilities who are not youth with significant disabilities using SE or VR program funds.

In addition, States are now required to use one-half of their SE program funding allotment to provide supported employment and extended services to youth with the most significant disabilities and to provide a match of 10 percent for the SE allotment portion used to serve such youth.

Supported employment funds are distributed on the basis of population, with no State receiving less than \$300,000, or one-third of 1 percent of the sums appropriated, whichever is greater. The minimum allotment for Territories remains one-eighth of 1 percent of the sums appropriated. The fiscal year 2017 allotments were based on the July 1, 2015 estimates published in December 2015. If funds are appropriated for this program for fiscal year 2018, allotments would be based on the July 1, 2016 estimates that were published in December 2016.

REHABILITATION SERVICES

Supported employment State grants

Funding levels for the past 5 fiscal years were as follows:

Fiscal Year	(dollars in thousands)
2014	\$27,548
2015	27,548
2016	27,548
2017	27,548
2018	0 ¹

¹ These funds are undistributed during the FY 2018 Continuing Resolution pending final Congressional action on the FY 2018 Budget for the Rehabilitation Services account.

FY 2019 BUDGET REQUEST

Consistent with the President's fiscal year 2018 Budget request, no funds are requested in fiscal year 2019 for the Supported Employment (SE) State Grants program. The Administration recognizes that supported employment can be an effective strategy in assisting individuals with the most significant disabilities to obtain competitive employment in integrated settings. However, because supported employment is now an integral part of the Vocational Rehabilitation (VR) State Grants program, the Administration believes that there is no longer a need for a separate funding stream to ensure the provision of such services. The proposed elimination would reduce unnecessary administrative burden and streamline program administration at the Federal and State levels. The Department expects that State VR agencies will continue to provide supported employment services in fiscal years 2018 and 2019 to nearly the same number of individuals as they did under the two separate authorities. However, maintaining these levels will require State VR agencies to use an increased portion of their Title I VR funds to provide supported employment services or seek additional support from State and local resources.

In carrying out its review and monitoring responsibilities under section 107(a)(4) of the Rehabilitation Act Title I of the Rehabilitation Act, the Department will continue to examine the provision of supported employment services to ensure that State agencies invest appropriate levels of their resources in supported employment and to provide technical assistance where needed.

The SE State Grants program was first authorized under the Rehabilitation Act Amendments of 1986 to provide supplemental grants to assist States in developing collaborative programs with public agencies and private nonprofit organizations for training and time-limited post-employment services for individuals with the most severe handicaps. At that time, supported employment was a new promising practice in employing individuals who traditionally would not have achieved employment in the integrated labor market. Initially, many rehabilitation professionals were skeptical about its feasibility and concerned about the potential costs. As a supplemental source of dedicated funds, the SE State grant program was designed to provide an incentive for State VR agencies to provide supported employment services. State VR agencies now recognize supported employment as a viable employment option for individuals with the most significant disabilities and no longer require such an incentive.

REHABILITATION SERVICES

Supported employment State grants

State VR agencies spend a significant amount of VR State Grant funds (including State matching funds) to provide supported employment services for those individuals who require such services to participate in the integrated labor market. For example, in fiscal year 2016 State agencies spent a total of \$247.1 million to provide purchased services for individuals with a goal of supported employment at the time they exited the VR program, including \$208 million from Title I VR funds and \$39.1 million from Title VI SE funds. Funds expended in fiscal year 2016 include funds awarded to States in FY 2016, as well as funds awarded in FY 2015 that were eligible to be carried over for expenditure in fiscal year 2016. State agencies spent \$20.5 million more of their Title I VR funds in FY 2016 than in fiscal year 2015 to provide purchased services for such individuals. These amounts do not include funds spent on purchased services for individuals whose individualized plan for employment (IPE) was amended during the VR process to change the goal from supported employment to another employment goal. The cost of purchased services is in addition to the costs of services provided directly by VR agency staff for individuals.

Finally, while well-intentioned, the changes to the SE State Grants program made by the WIOA amendments have significantly increased the Federal and State cost and burden of administering the program. Thus, consistent with the Administration's overall goal of streamlining the Federal government, the Administration's proposal would reduce unnecessary program administration burden at both the Federal and State levels. Further, lowering the cap on amount of administrative costs that can be paid for with funds under the SE program (from 5 percent of State's SE annual allotment to 2.5 percent of State's SE annual allotment) has shifted the higher administrative costs to the VR State Grants program. The increase requested for the VR State Grants program would reduce the impact of the loss of these supplemental funds.

REHABILITATION SERVICES

Supported employment State grants

PROGRAM OUTPUT MEASURES

(dollars in thousands)

<u>Output Measures</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Individuals with a supported employment IPE goal when they exited the program	47,000	46,500	46,060
Employment outcomes:	27,000 ¹	26,700 ¹	26,460 ¹
Supported employment outcomes	19,500 ²	19,300 ²	19,120 ²
Employment without supports in an integrated setting	7,400 ³	7,310 ³	7,260 ³
Other employment outcomes	100 ⁴	90 ⁵	80 ⁵
Minority outreach	\$275	0	0

NOTE: Estimates are based on actual 2015 and 2016 closure data from the RSA-911 Case Service Report for all VR consumers with a supported employment goal identified on their IPE, including consumers who received SE services with funds provided under the VR State Grants and/or under the Supported Employment State Grants programs.

¹ Includes employment outcomes for all VR consumers who had a supported employment goal at exit.

² Of the individuals who had a supported employment goal at exit, the number who were employed in an integrated setting and receiving ongoing support services.

³ Of the individuals who had a supported employment goal at exit, the number who met the employment outcome criteria for the VR State Grants program but who were not receiving ongoing support services at exit.

⁴ Of the individuals who had a supported employment goal at exit, the number who met the employment outcome criteria for the VR State Grants program who were either self-employed, employed in a Business Enterprise Program, a family worker, or a homemaker.

⁵ Of the individuals who had a supported employment goal at exit, the number who met the employment outcome criteria for the VR State Grants program who were either self-employed or employed in a Business Enterprise Program.

PROGRAM PERFORMANCE INFORMATION

Performance Measures

This section presents program performance information, including, for example, GPRA goals, objectives, measures, and performance targets and data, and an assessment of the progress made toward achieving program results. Achievement of program results is based on the cumulative effect of the resources provided for this program and the VR State Grants program in previous years, and the resources provided for supported employment services through the VR State Grants program in fiscal year 2019 and future years, as well as the resources and efforts invested by those served by these programs.

The Department will continue to assess the outcomes of individuals receiving supported employment services through the VR State Grants program (i.e., competitive employment outcomes and earnings)

REHABILITATION SERVICES

Supported employment State grants

Goal: Individuals with significant disabilities with a goal of supported employment will achieve high quality employment.

Objective: *Ensure that individuals with significant disabilities with a supported employment goal achieve high quality employment.*

Measure: Of those individuals with significant disabilities who had a supported employment goal and achieved an employment outcome, the percentage who obtained competitive employment, including individuals who receive supported employment services funded under the VR State Grants program and/or the SE State Grants program.

Year	Target	Actual
2014	94%	95%
2015	95	95
2016	95	95
2017	95	
2018	96	
2019	96	

Additional information: Individuals with a supported employment goal who achieve an employment outcome may be working in competitive integrated employment (employment at least at the minimum wage in an integrated setting) or may be working in an integrated setting toward competitive employment at or above the minimum wage.

Fiscal year 2016 RSA 911 Case Service Report data show that 27,106 individuals who had a goal of supported employment on their IPE at the time their case service record was closed, including both consumers who received SE services from funds provided under the VR State Grants and under the SE State Grants programs, achieved an employment outcome. Of those who achieved an employment outcome, 25,606 individuals (95 percent) achieved a competitive employment outcome and the performance target was met. Data for fiscal year 2017 are expected to be available in July 2018.

REHABILITATION SERVICES

Supported employment State grants

Measure: Average weekly earnings for individuals with significant disabilities who achieved a supported employment outcome.

Year	Target	Actual
2014	\$208	\$200
2015	208	215
2016	208	219
2017	210	
2018	215	
2019	215	

Additional information: Performance data for this measure are calculated by dividing the average weekly earnings for all individuals who obtained a supported employment outcome with earnings by the total number of individuals who obtained a supported employment outcome with earnings. The performance data do not include individuals served by State VR agencies for the blind.

For the performance group, fiscal year 2016 data show that the average weekly earnings of individuals with significant disabilities who achieved a supported employment outcome was \$218.88, and the performance target was surpassed. After a small drop in average weekly earnings reported for fiscal year 2014 as compared to previous years, there were significant consecutive increases in average weekly earnings for 2015 and 2016. While average hours worked per week at the time the service record was closed remained about the same as in 2014 and 2015, average hourly earnings increased from \$9.12 to \$9.42. For fiscal year 2014, average hourly earnings were \$8.93. It should be noted that the average weekly earnings calculation for 2015 did not include data for five States. Data for fiscal year 2017 are expected to be available in July 2018.

Efficiency Measure

Objective: *Ensure that State VR agencies effectively use Supported Employment Grant funds to achieve supported employment outcomes.*

Measure: Percentage of general and combined State VR agencies that demonstrate at least 30 supported employment outcomes per \$100,000 received in SE Grant funds.

Year	Target	Actual
2013	75%	75%
2014	75	65
2015	75	65
2016	75	73
2017	75	

Additional information: The efficiency measure developed for the Supported Employment State Grants program examines the percentage of State VR agencies for which the number of

REHABILITATION SERVICES

Supported employment State grants

supported employment outcomes per \$100,000 received in SE Grants funds is within a specified range. For the purpose of this measure, the number of supported employment outcomes per \$100,000 is calculated by dividing the reported number of individuals that achieved a supported employment outcome by the amount of a State agency's SE allocation and multiplying the result by 100,000. The performance group does not include State VR agencies for the Blind or the four territories because they receive less than \$100,000 in SE Grants funds. In fiscal year 2016, 38 of the 52 combined and general VR agencies demonstrated at least 30 supported employment outcomes per \$100,000 received in fiscal year 2016 SE Grant funds. While performance on this measure increased to near pre-2014 levels, the performance target was not met. The median number of supported employment outcomes per \$100,000 received in SE Grant funds for the 52 State agencies was 61.7. However, it should be noted that there is significant variation among agencies in the performance group, with the supported employment outcomes per \$100,000 in fiscal year 2016 ranging from 1 to 350. Performance targets have not been established for this measure for fiscal years 2018 and 2019 because the Administration has not requested funds for the Supported Employment State Grants program. In addition, the Department is reevaluating this measure given the potential impact of the WIOA amendments on the cost per supported employment outcome. If funds are not provided for the Supported Employment State Grants program, the Department will continue to monitor supported employment outcomes under the VR State Grants program through the revised Case Service Report (RSA-911-16).

Other Performance Information

On an aggregate level, VR consumers who had a goal of supported employment represented 14.5 percent of the total individuals whose cases were closed after receiving VR services in fiscal year 2016. Data from the fiscal year 2016 Case Service Report (RSA-911-14) show that approximately 47,662 individuals receiving services had a goal of supported employment on their IPE at the time their case service record was closed in fiscal year 2016, 5,924 more than were reported in fiscal year 2015. These numbers do not include those individuals who were still receiving supported employment services at the close of the fiscal year. While the number of individuals receiving services that had a goal of supported employment at the time their case service record was closed in fiscal year 2016 is higher than the numbers reported for fiscal years 2014 and 2015, some of the difference may be due to the fact that SE-related data elements changed in the revised RSA-911 data implemented in fiscal year 2014 and the changes may have resulted in reporting errors.

Please note that data collection requirements resulting from WIOA amendments to the Rehabilitation Act have required additional changes to the RSA-911 Case Service data collection. The redesigned post-WIOA data collection will provide quarterly data on individuals who are receiving services under the VR program, including data collected on individuals receiving supported employment services. State VR agencies are required to implement the new data collection beginning in July 2017. Annual data will be based on a 12-month program year instead of the fiscal year. The data on individuals receiving supported employment services will enable RSA to better monitor the services, service costs, and the outcomes achieved by such individuals and help to identify those agencies that need technical assistance. For the first nine months of fiscal year 2017, State VR agencies continued to report program-specific annual data on closed service records through the Case Service Report (RSA-911-14).

REHABILITATION SERVICES

Independent living services for older blind individuals (Rehabilitation Act of 1973, Title VII, Chapter 2)

(dollars in thousands)

FY 2019 Authorization: \$38,328

Budget Authority:

<u>2018</u> <u>Annualized CR</u>	<u>2019</u>	<u>Change from</u> <u>Annualized CR</u>
\$33,091	\$33,317	+\$226

PROGRAM DESCRIPTION

The Independent Living Services for Older Individuals Who Are Blind (ILOIB) program supports services to assist individuals aged 55 or older who have severe visual impairment making competitive employment extremely difficult to obtain, but for whom independent living goals are feasible. Funds are used to provide independent living services, conduct activities that will improve or expand services for these individuals, and conduct activities to improve public understanding of the problems of these individuals. ILOIB services are designed to help eligible persons adjust to their blindness by increasing their ability to care for their individual needs.

The Workforce Innovation and Opportunities Act (WIOA) amended the ILOIB program in section 751A of the Rehabilitation Act to require that not less than 1.8 percent and not more than 2 percent of the funds appropriated to the ILOIB program be used to provide training and technical assistance to Designated State Agencies or other providers of ILOIB services that receive ILOIB program funds. As a result, the amount of funds available for allocation to States has decreased as compared to fiscal year 2014.

Grantees are State Vocational Rehabilitation (VR) agencies for persons who are blind and visually impaired or, in States with no separate agency for persons who are blind, State combined VR agencies. States participating in the Services for Older Individuals Who Are Blind program must match 10 percent of their grant with non-Federal cash or in kind resources in the year for which the Federal funds are appropriated. When appropriations for this program exceed \$13 million—as they have since fiscal year 2000—awards are distributed to States according to a formula based on the population of individuals who are 55 years of age or older. The minimum allotment for each of the 50 States, D.C., and Puerto Rico is \$225,000, with each of the outlying areas receiving a minimum allotment of \$40,000.

The fiscal year 2017 allotments were based on July 1, 2015 estimates of the population of individuals age 55 and older published by the Census Bureau in June 2016. The fiscal year 2018 allotments are based on July 1, 2016 population estimates of individuals age 55 and older published by the Census Bureau in June 2017. The fiscal year 2019 allotments are based on July 1, 2016 population estimates and will be updated based on July 1, 2017 estimates by age group when they become available in June 2018.

REHABILITATION SERVICES

Independent living for older blind individuals

Funding levels for the past 5 fiscal years were:

Fiscal Year	(dollars in thousands)
2014	\$33,317
2015	33,317
2016	33,317
2017	33,317
2018	33,091

FY 2019 BUDGET REQUEST

The Administration requests \$33.3 million for fiscal year 2019 for the ILOIB program, an increase of \$226,000, to restore funding to the fiscal year 2017 level. These funds will assist States in meeting the need for independent living services by older individuals who are blind or severely visually impaired. The Department plans to reserve 1.8 percent of the funds requested (\$599,706) to provide training and technical assistance to the ILOIB program and its service providers, as required by the authorizing statute.

Independent living services are typically provided through contracts with local providers administered by State vocational rehabilitation (VR) agencies. Services provided under the ILOIB program, which most frequently include technology aids and devices (61 percent), daily living skills (53 percent) and low vision assessments (40 percent), allow older individuals who are blind or severely visually impaired to be more independent at home and in the community.

Many of the needs of this older population are different from those of the consumers that are served under the Centers for Independent Living, now administered by the Department of Health and Human Services. In 2016, 58,555 individuals received services under the ILOIB program, over half of whom were over 80 years of age and about 82 percent of whom were still living in a private residence. Approximately 56 percent of the individuals served in fiscal year 2016 were either legally blind or totally blind and 21 percent also had some degree of hearing impairment. Macular degeneration continues to be the most commonly reported eye condition, followed by glaucoma and diabetic retinopathy.

Trained program personnel are knowledgeable about blindness and other visual impairments, as well as the needs of older individuals with such impairment, including adaptive strategies that can assist these individuals to adjust to their impairments and increase their ability to function more independently. However, most of the specialized services provided by the program for these older individuals are not covered by other public and private payers, such as private insurance, Medicaid, or Medicare.

The prevalence of disability increases with age and the occurrence of a sensory disability is more than six times greater among older adults than working-age people. Persons age 55 or older, the target population of this program, are projected to comprise a larger share of the population over the next decade and beyond. According to the U.S. Census Bureau's 2015 American Community Survey (1-Year Estimates), 6.5 percent of individuals 65 and older (about 3.0 million people) have a vision-related disability. In addition, the percentage of individuals

REHABILITATION SERVICES

Independent living for older blind individuals

who have a disability that affects their independent living status (including vision-related disabilities) increases with age, with a dramatic increase for individuals in the 75 years and over category, where 25.2 percent report having a disability that affects their independent living status. Since advancing age is associated with higher prevalence of vision loss, the ILOIB program will likely face an increasing demand for services.

In addition, the final regulations implementing changes to the VR State Grants program, published in the Federal Register on August 19, 2016, eliminate uncompensated outcomes (i.e., homemaker and unpaid family worker outcomes), from the definition of the term “employment outcome.” While the national percentage of individuals with such outcomes served by the VR program has been very small (about 3 percent), many of these individuals were 55 years of age or older and had severe visual impairments. The Department anticipates that VR agencies will refer many of the individuals affected by the rule change to the ILOIB program to obtain the services they need.

In fiscal year 2019, the Department will reserve approximately \$599,706 (1.8 percent of the funds appropriated for the ILOIB program) to support training and technical assistance, as required by the authoring statute. In fiscal year 2015, the National Research and Training Center on Blindness and Low Vision (NRTC) at Mississippi State University was awarded the training and technical Assistance grant for older individuals who are blind that was established under the Rehabilitation Act through amendments to Title IV of WIOA.¹ The training and technical assistance activities provided by this 5-year grant are designed to improve program and consumer outcomes and to enhance service providers' knowledge and skills in the areas of best practice, community outreach, budget management, and data collection.

PROGRAM OUTPUT MEASURES

(dollars in thousands)

<u>Output Measures:</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Number of Grantees	56	56	56
Minimum State award	\$225	\$225	\$225
Number of States at minimum	17	17	17
Average State award	\$620	\$620	\$620
Minority outreach	\$333	\$333	\$333
Training and technical assistance	\$600	\$600	\$600

PROGRAM PERFORMANCE INFORMATION

Performance Measures

This section presents selected program performance information, including, for example, GPRA goals, objectives, measures, and performance targets and data; and an assessment of the progress made toward achieving program results. Achievement of program results is based on

¹ <http://www.blind.msstate.edu/research/current-research/oib.php>

REHABILITATION SERVICES

Independent living for older blind individuals

the cumulative effect of the resources provided in previous years and those requested in fiscal year 2019 and future years, as well as the resources and efforts invested by those served by the program.

Goal: To promote and support a philosophy of independent living (IL)—including a philosophy of consumer control, peer support, self-help, self-determination, equal access, and individual and system advocacy—in order to maximize the leadership, empowerment, independence, and productivity of individuals with disabilities, and the integration and full inclusion of individuals with disabilities into the mainstream of American society.

Objective: *Through the provision of services (either directly or through contracts), increase the percentage of consumers receiving services funded through the Older Blind program who report having access to services needed to improve their ability to live more independently and participate fully in their communities.*

Measure: The percentage of Independent Living Older Blind program consumers who have access to previously unavailable assistive technology aids and devices.

Year	Target	Actual
2014	58%	54%
2015	56	57
2016	56	61
2017	57	
2018	57	
2019	57	

Additional information: The percentage of consumers reporting access to previously unavailable assistive technology in 2016 increased from the prior year and the performance target was exceeded. Assistive technology is one of the most frequently requested and expensive forms of assistance offered by this program, and consequently some States may have difficulty meeting consumer demand. For fiscal year 2016, performance on this measure was calculated by dividing the number of consumers who received assistive technology (35,583) by the total number of Older Blind program consumers (58,555). However, it should be noted that while the number of consumers who received assistive technology increased by about 1,400 in 2016, the total number of Older Blind program consumers decreased by 1,880, which partially accounts for the jump in performance on this measure. Data for 2017 are expected by summer of 2018.

REHABILITATION SERVICES

Independent living for older blind individuals

Measure: The percentage of Independent Living Older Blind program consumers who report an improvement in daily living skills.

Year	Target	Actual
2014	60%	61%
2015	61	60
2016	61	61
2017	61	
2018	61	
2019	61	

Additional information: The percentage of consumers reporting improvement in their daily living skills for 2016 returned to the 2014 level and the target was met. For fiscal year 2016, performance on this measure was calculated by dividing the number of Older Blind program consumers who reported improvement in daily living skills (18,830) by the total number of Older Blind program consumers who received daily living skills training (31,135). Daily living skills include activities such as bathing, moving around the home, getting out of bed or a chair, and eating a meal. State agencies collect and provide this data in their annual program reports. Data for 2017 are expected by summer 2018. Because of concerns about the subjectivity of this measure and the difficulty in isolating improvement on the basis of one of a number of services that may be received, the Department is considering alternative methods for assessing the functional improvement of consumers receiving services under the ILOB that will not increase the overall data collection burden for grantees.

REHABILITATION SERVICES

Helen Keller National Center (Helen Keller National Center Act)

(dollars in thousands)

FY 2019 Authorization: 0 ¹

Budget Authority:

<u>2018</u> <u>Annualized CR</u>	<u>2019</u>	<u>Change from</u> <u>Annualized CR</u>
\$10,266	\$10,336	+\$70

¹ The GEPA extension expired September 30, 2004; continued funding is proposed for this program in FY 2019 through appropriations language.

PROGRAM DESCRIPTION

The Helen Keller National Center for Deaf-Blind Youths and Adults (HKNC) was created by Congress in 1967 and operates under the auspices of Helen Keller Services. The HKNC provides services on a national basis to youth and adults who are deaf-blind, their families, and service providers through on- and off-campus services, professional learning, and information on combined vision and hearing loss. HKNC's mission is to enable each person who is deaf-blind to live, work, and thrive in his or her community of choice. This includes having access to local resources for community living and employment opportunities.

HKNC provides direct services through a residential training facility at its national headquarters center (Center) located in Sands Point, New York, where deaf-blind individuals receive intensive specialized services. The Center provides comprehensive services for individuals with deaf-blindness to enhance their potential for employment and live independently in their home communities. The Center's residential programs provide consumers with an array of services, and supports, including adaptive skills training to help them achieve their vocational and independent living goals. The Center's programs emphasize a number of areas such as enhanced mobility; improved and accessible communication (including the use of adaptive technology); constructive participation in home and community settings; leadership and advocacy training through mentoring, ongoing social and professional opportunities, and employment.

HKNC also provides services through a network of 11 regional field offices staffed by 11 regional representatives and one associate regional representative. Through this network, HKNC provides assistance to deaf-blind individuals and their families, as well as technical assistance to local service providers. The regional network offices provide counseling, information, transition assistance, and referral services for individuals who are deaf-blind and their families to assist them to achieve successful participation in their community and employment. Regional representatives provide a wide variety of services to individuals who are deaf-blind in their home communities, including: training for State and local service agency staff,

REHABILITATION SERVICES

Helen Keller National Center

general technical assistance, program assessment, community advocacy, and assistance to vocational rehabilitation (VR) counselors, mental health workers, special education personnel, and deaf-blind consumers with developing individualized service plans. Regional representatives also assist clients who have received training at the Center with making the transition back to their home community.

Regional representatives collaborate with States to increase local capacity in the areas of implementing support service provider (SSP) programs, professional development training for VR and blind/visually impaired counselors, developing VR case sharing models, identifying deaf-blind leaders for representation on task forces/advisory councils and program planning/training, developing online and webinar training, and expanding the vocational access service provider model.

The HKNC Community Services Program (CSP), a model collaboration between the Center and the New York State Commission for the Blind (NYSCB), provides comprehensive rehabilitation, vocational, and support services to eligible persons who are deaf-blind in their homes, worksites and communities. CSP is staffed by credentialed professionals in the fields of blindness and deafness including orientation and mobility specialists, low vision specialists, vision rehabilitation teachers, and vocational specialists. All CSP staff are proficient in American Sign Language and other alternative modes of communication.

HKNC also provides professional development, training and technical assistance, and consultation to other organizations, programs, and providers serving individuals who are deaf-blind. Through its Information, Research and Professional Development (IRPD) department, HKNC provides technical knowledge, expertise, training, and services to its partners across the United States. The IRPD department offers on-campus workshops and seminars in a myriad of disciplines such as train-the-trainer seminars for adaptive technology instructors working to support the National Deaf-Blind Equipment Distribution Program, SSP services, and training for VR counselors. In collaboration with personnel preparation programs, and research projects located at universities throughout the country, IRPD staff work to identify effective practices for working with youths and adults who are deaf-blind and disseminates these best practices nationally via professional training initiatives in collaboration with HKNC direct services and field service staff. In addition, HKNC has developed a Deaf-Blind National Community of Practice, a 51-member collaborative of professional organizations working together to improve the quality of services to individuals who are deaf-blind through learning, research and practice.

In fiscal year 2017, the Center offered three summer programs that focused on the needs and goals of transitioning youth who are deaf-blind. At the end of these programs, recommendations are provided to the student's school in order to continue vocational planning and support the development of individualized plan for employment goals, as appropriate. Brief descriptions of these programs are provided below.

- Summer Youth Vocational Program – This 6-week program offers young adults their first paid work experience with an exploration into how strategies for communication, independent living, mobility, self-advocacy, and vocational readiness can foster their independence and success at work.

REHABILITATION SERVICES

Helen Keller National Center

- Young Adult Summer Program (YASP) – This 2-week program offers transition-age students who are deaf-blind and completing their high school education the opportunity to learn about future options related to college, work, and apartment living, how to advocate, and to experience adult life in the residence and community. This program is facilitated by deaf-blind leaders who are graduates of HKNC.
- Comprehensive Summer Youth Assessment – This 8-week comprehensive assessment for transition-aged youth focuses on identifying goals for the remaining years of high school and college, including exploring vocational interests and identifying specific accommodations needed in college environments.

HKNC also offers a program called the Deaf-Blind Immersion Experience (DBIE), now in its second year, which provides consumers who are deaf-blind with intellectual disabilities, and their support team, a 5-day training experience that includes the consumer's participation in work experiences that match their interests, gifts, and abilities.

Funding levels for the past 5 fiscal years were:

Fiscal Year	(dollars in thousands)
2014.....	\$9,127
2015.....	9,127
2016.....	10,336
2017.....	10,336
2018.....	10,266

FY 2019 BUDGET REQUEST

The Administration requests \$10.3 million for fiscal year 2019 for the Helen Keller National Center for Deaf-Blind Youths and Adults (HKNC), an increase of \$70 thousand, to restore funding to the fiscal year 2017 level. The funds requested in FY 2019 would expand independent living and employment opportunities for individuals who are deaf-blind by supporting the Center's comprehensive residential training and assessment programs and HKNC's regional network of field service representatives, along with professional development and training for individuals and organizations who work with deaf-blind individuals.

The request would support services through its regional offices to an estimated 1,600 consumers, 475 families, and 985 agencies and organizations. The request would also support the provision of direct intensive services to approximately 93 consumers, including an estimated 65 consumers at HKNC's residential training and rehabilitation program and an estimated 30 consumers through the Community Services Program (CSP).

Approximately 30 percent of the funds requested would provide support to the HKNC for field services, community education, and professional development programs, including the activities of HKNC's 11 regional offices and the IRPD department. These programs help reach consumers in their home communities and assist personnel at State agencies and other organizations to serve or develop the capacity to serve individuals who are deaf-blind through training, community education, and technical assistance.

REHABILITATION SERVICES

Helen Keller National Center

In fiscal year 2017, the Center served 96 consumers, most of whom were participants in the intensive specialized vocational and independent living programs (60) and the CSP (36). In fiscal year 2017, HKNC provided a number of specialized residential programs, including a confident living program for seniors and programs designed to serve transitioning youth and individuals who are deaf-blind and have intellectual disabilities. The Center also provided specialized services to other deaf-blind individuals in need of comprehensive assessment and training services. In fiscal year 2017, HKNC provided opportunities for individuals with vocational goals to participate in one or more short-term work experiences (80 work experiences in total) with 27 different employers.

Professional Development

The fiscal year 2019 request would continue to support HKNC activities that promote best practices and provide quality information and training to individuals who are deaf-blind, their families, and professionals. To address the critical shortage of professionals qualified to meet the unique needs of individuals who are deaf-blind, HKNC provides training for personnel such as teachers and vocational rehabilitation (VR) counselors, rehabilitation teachers, orientation and mobility specialists, adaptive technology instructors and interpreters. One of the IRPD department's main objectives is to support training for professionals in conjunction with HKNC headquarters staff members, regional representatives and consultants across the country. For example, in fiscal year 2017, the IRPD department provided 25 professional development opportunities in a number of areas, such as touch signals training, current techniques in working with consumers in group home settings, creating successful employment options for deaf-blind workers, and orientation and mobility training. Information and training materials are disseminated through customized responses to requests for information, short term and onsite individualized training, topical seminars, and small scale, customized training at locations throughout the United States.

HKNC has also helped to increase the number of qualified professionals working with individuals who are deaf-blind by utilizing technology and distance learning opportunities, such as instructional videos, webinars, and online courses. For example, HKNC offers five online courses and short training videos focused on professional development. The online courses offer Certified Rehabilitation Counseling credits and Academy for the Certification of Vision Rehabilitation and Education Professionals continuing education units upon successful completion. The coursework includes topics such as: *Working with Individuals who are DeafBlind - A Course for Vocational Rehabilitation Counselors and Other Professionals* and *Confident Living - A Guide to Working with Senior Adults with Combined Vision and Hearing Loss*. In addition, HKNC has developed short training videos on topics such as *Working with your SSP and Advocacy in the Deaf-Blind World* for consumers that are available free of charge. HKNC's IRPD goal is to become a national information clearinghouse on deaf-blindness.

Sources of HKNC Revenue

In fiscal year 2017, funds appropriated directly to HKNC through the Department's Rehabilitation Services account (\$10,336,000) made up 60 percent of its total revenue, and direct and indirect funds from other Federal sources (\$1,669,000) made up 10 percent of its total revenue. Training fees generated \$2,360,000 (14 percent) and funding from State grants

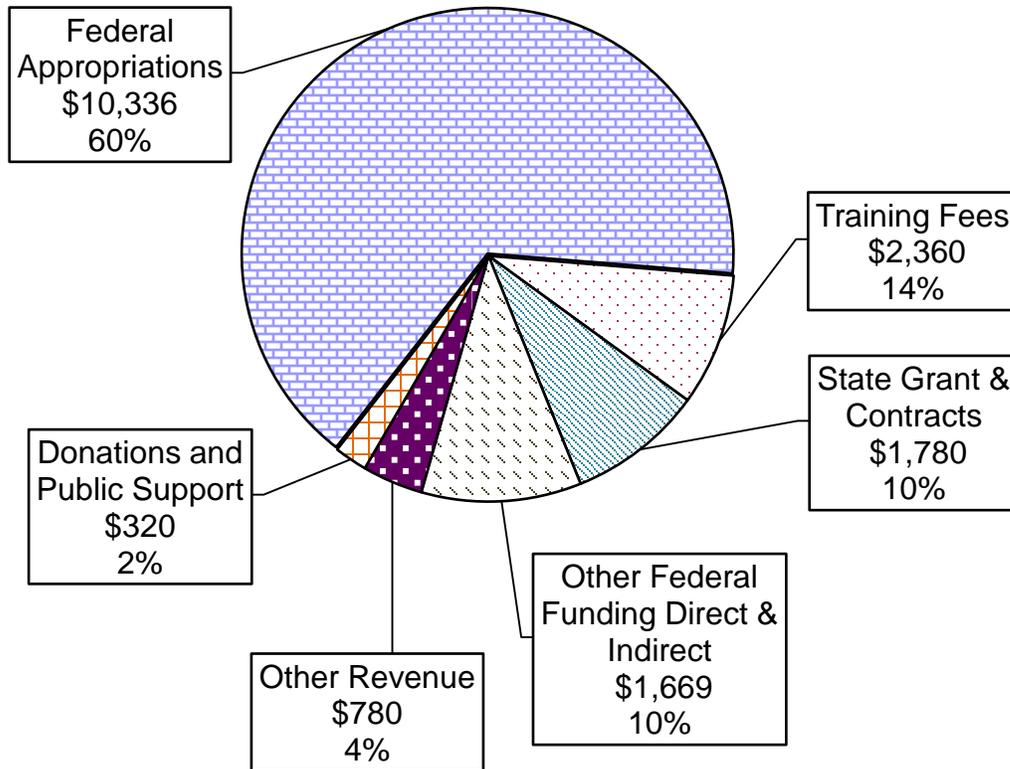
REHABILITATION SERVICES

Helen Keller National Center

and contracts amounted to \$1,780,000 (10 percent). HKNC received \$320,000 in donations and public support (2 percent), while other revenue generated by HKNC operations (1 percent) and investment income (3 percent) amounted to \$780,000. The figure below provides information on the sources of revenue and dollar amounts in thousands.

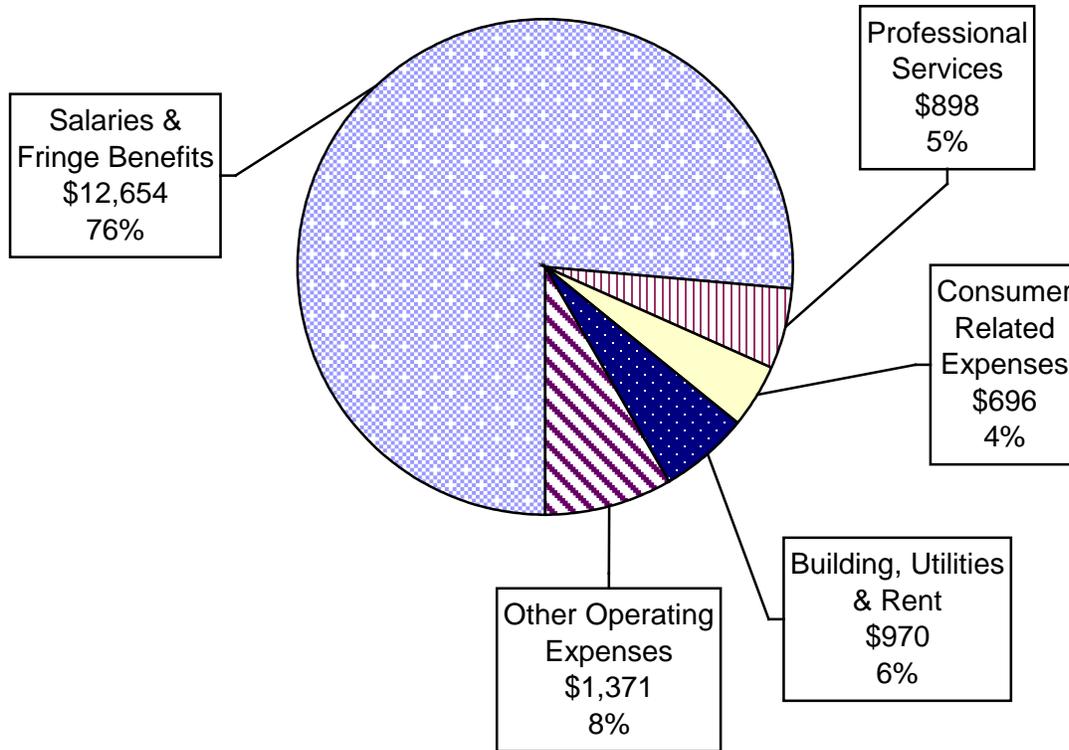
FY 2017 Sources of Funds - \$17,246 thousand

(All dollars in thousands)



For fiscal year 2017, HKNC reported total public support and revenues of \$17,246,000 and incurred total operating expenses of \$16,589,000. While the Center has sought to increase other sources of funding, the Federal appropriation remains its primary source of support. Because most of the specialized services required by this population are provided by HKNC staff, salaries and fringe benefits account for most of their expenses (76 percent).

FY 2017 Expenses - \$16,589 thousand
(All dollars in thousands)



Note: Percentages may not add to 100% due to rounding.

PROGRAM OUTPUT MEASURES

<u>Output measures</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Number of individuals served at headquarters:			
Adult training program clients	60	65	65
Specialized training services:			
Transition for high school students	14	20	20
Senior citizens	7	5	5
Targeted skills training	2	3	3
Community Services Program	36	30	30
Number of individuals served through regional representatives:			
Consumers	1,339	1,600	1,600
Families	383	475	475
Agencies/organizations	1,126	985	985
HKNC FTE staff	122	125	145

PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including, for example, GPRA goals, objectives, measures, and performance targets and data; and an assessment of the progress made toward achieving program results. Achievement of program results is based on the cumulative effect of the resources provided in previous years and those requested in fiscal year 2019 and future years, as well as the resources and efforts invested by those served by this program.

Goal: Individuals who are deaf-blind will become independent and function as full and productive members of their local community.

Objective: *Individuals who are deaf-blind receive the specialized services and training they need to become as independent and self-sufficient as possible.*

Measure: The percentage of: (1) training goals set and achieved by adult consumers (both on and off campus); (2) adult consumers seeking employment who are placed in employment both on and off campus); and (3) adult consumers seeking to maintain their ability to live independently or move to less restrictive settings who achieve their goals.

Year	Target # of Adult Consumers	Actual # of Adult Consumers	Target % in Less Restrictive Settings	Actual % in Less Restrictive Settings	Target % of Training goals met	Actual % of Training goals met	Target % Placed in Employment	Actual % Placed in Employment
2014	70	57/38	86%	83%	95%	91%	47%	42/88%
2015	71	55/30	87	82	95	93	48	41/56
2016	75	63/29	86	86	95	91	48	53/50
2017	75	60/36	86	87	95	89	48	47/78
2018	75		86		95		48	
2019	75		86		95		48	

Additional information: In fiscal year 2017, HKNC served 6 consumers in the on-campus rehabilitation training programs and 29 additional off-campus consumers through its Community Services Program. HKNC points out that the number of consumers served may fluctuate from year to year due to factors beyond the control of the Center. For example, the length of time an individual participates in training may vary anywhere from two weeks to beyond one year due to differing levels of training intensity and individual needs.

The “less restrictive settings” measure refers to consumers who move from settings such as living with parents or guardians, assisted living settings, and nursing homes to more independent living arrangements such as their own home or apartment or group homes. In addition, this measure includes participants who achieved a less restrictive living environment by successfully acquiring skills in two or more core areas, resulting in the ability to maintain a home and more fully participate in community life. In 2017, 87 percent of consumers moved into, or remained in, less restrictive settings, and the target set for the fiscal year was met.

The Center evaluates the progress of consumers in achieving the goals stated in their individualized training plans (ITPs). This measure represents the percent of adult consumers served by the HKNC who successfully achieved identified training goals during the program year. The consumers and their instructors mutually develop these instructional objectives. To ensure that the measure is an accurate reflection of the Center’s performance, the Department and HKNC have agreed that it should only include the outcomes for adult consumers enrolled in the long-term formal program and the targeted skills training program. Consumers in the short-term programs for high school students are not included in the calculation. In 2017, 89 percent of training goals were met by adult consumers; however, the target (95 percent) was not met.

In fiscal year 2017, 47 percent of consumers in on-campus programs and 78 percent of off-campus consumers with an employment goal were placed in employment, and the target was met.

Objective: Increase the capacity of deaf-blind consumers to function more independently in the home community.

Measure: The number of individuals (or families on behalf of individuals) referred to State or local agencies or service providers by HKNC’s regional offices.

Year	Target	Actual
2014	265	575
2015	265	551

Year	Target	Actual
2016	300	626
2017	500	472
2018	600	
2019	600	

Additional information: In fiscal year 2017, HKNC’s regional offices referred 472 individuals to State or local agencies or service providers, which represents a decrease from previous years and falls slightly short of the target.

Measure: The percentage of consumers who participated in services programs (other than HKNC) as a result of receiving a referral from HKNC’s regional offices.

Year	Target	Actual
2014	67%	95%
2015	68	66
2016	66	75
2017	66	94
2018	75	
2019	75	

Additional information: This measure provides information on the activities of the field services programs, including the 11 regional representatives and 1 regional representative associate. Regional representatives serve individuals who are deaf-blind in their home communities, which often lack other service providers that are trained and equipped to meet the unique and multi-faceted needs of these consumers. The referrals provided by regional representatives often are the gateway to finding appropriate and individualized supports from various agencies and organizations. The intensity of consumers’ interactions with HKNC field staff varies significantly. Some consumers interact with staff only once via telecommunications, while others benefit from repeated in-person visits for a variety of services, such as skills assessments, counseling, and advocacy.

Fiscal year 2017 performance exceeded that of the previous year and the target for the fiscal year. The year-to-year variation in performance on this measure in recent years makes it difficult to set an appropriate annual target. Based on the data trend, a target of 75 percent has been set for fiscal year 2019. However, this target may be adjusted based on 2018 performance.

Objective: HKNC will assist State vocational rehabilitation (VR) and employment programs in increasing employment outcomes for individuals who are deaf-blind.

Measure: The number of referrals by HKNC’s regional offices to VR or related employment programs.

Year	Target	Actual
2014	88	65
2015	92	65
2016	65	41
2017	65	33
2018	65	
2019	65	

Additional information: HKNC plays an important role in connecting individuals who are deaf-blind to VR agencies. Many VR agencies lack sufficient numbers of personnel trained in providing services to consumers who are deaf-blind. HKNC field staff frequently facilitate interactions between consumers and VR agencies, train VR agency staff about the specialized needs of these clients, and assist consumers who are returning to their State’s VR system after attending intensive training at HKNC headquarters. The lower number of referrals in 2017 is attributed to extended staff vacancies in four regions, and the associated hiring and training of four new regional representatives. In addition, the number of referrals to VR agencies can also fluctuate depending on whether the consumers served by HKNC field staff have vocational goals. The target of 65 referrals that was established for fiscal years 2016 and 2017 has been retained for fiscal year 2018 and 2019.

Measure: The percentage of individuals who achieved successful employment outcomes in which HKNC’s regional offices played a collaborative role contributing training, advocacy and/or support to the consumer or job training agency.

Year	Target	Actual
2014	30%	55%
2015	32	46
2016	40	45
2017	40	39
2018	45	
2019	45	

Additional information: For the measure on the percentage of individuals who achieved employment outcomes, the numerator is the number of clients served by HKNC regional representatives who achieved employment outcomes in which HKNC’s regional offices played a collaborative role providing training, advocacy and/or support to the consumer or job training agency. The denominator is the total number of clients served by HKNC regional representatives who achieved employment outcomes. In fiscal year 2017, 39 percent of individuals achieved successful employment outcomes in which HKNC’s regional offices played a collaborative role in providing training, advocacy and/or support to the consumer or job training agency.