

Mike DeWine, Governor Jon Husted, Lt. Governor Carrie Kuruc, Director

## **MEMORANDUM**

**TO:** Emily Blair, Opportunities for Ohioans With Disabilities

**FROM:** Ethan Wittkorn, Regulatory Policy Advocate

**DATE:** July 2, 2019

RE: CSI Review – Vocational Rehabilitation Fee Schedule (3304-2-52)

On behalf of Lt. Governor Jon Husted, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Agency as provided for in ORC 107.54.

## **Analysis**

This Opportunities for Ohioans With Disabilities (OOD) rule package consists of 1 new rule. This rule package was submitted to the CSI Office on May 30, 2019.

The rule covers OOD's vocational rehabilitation fee schedule for the purchase of services for disabled individuals participating in the vocational rehabilitation (VR) program. Changes to the fee schedule include the addition of four services to the schedule, additional incentives for timely services, fees to cover assistance for hiring and placement services, and the reorganization of text to provide clarity.

OOD shared the proposed rules with stakeholders and invited the stakeholders to participate in five regional forums to gather written and verbal feedback. Additionally, they shared the proposed rules with all providers via an online meeting in February of 2019. In April of 2019, OOD sent the proposed rules to all its stakeholders, and then, in May of 2019 the proposed rules were posted to the OOD website. OOD engaged stakeholders throughout the process to aid in the creation of the rule and updated fee schedule. Changes made due to stakeholder feedback include:

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- increasing all rates to 6.5% rather than 6%;
- increasing rates for job development by 8%;
- increasing the percentages used to calculate group rates, changing billing for retention for performance-based and supported employment-based job development from one payment at day 90 to three payments, payable at 30, 60, and 90 days;
- adding new rates for rapid engagement and employment outcomes outside of job development;
- changing the service definition for summer youth work experiences to eliminate the educational week and to include an orientation; and
- allowing the CESP requirement for Supported Employment Job Development to be waived for staff holding a CRC credential.

During the CSI public comment period, three comments were received, a letter of support from the Ohio Provider Resource Association, a letter of concern from Catalyst Life Services about splitting payments in Tier 3, and a comment noting concern over the elimination of mileage reimbursements.

The impacted community of this rule consists of providers of ODD services to eligible individuals (approximately 357 providers). Changes to the schedule are largely rate increases and additional incentives for service providers to meet service benchmarks. OOD states that some of the changes in the rule may require providers to change how they deliver services. However, OOD assures that the changes do not significantly affect reporting requirements.

OOD has stated that they made the rate increases at the request of providers who commenting that rate increases were necessary to accommodate the increased cost of doing business. The fee schedule is required in ORC 3304.15 (D) and permitted in federal code 34 CFR 361.50(c)(2).

## Recommendations

Based on the information above, the CSI Office has no recommendations on this rule package.

## **Conclusion**

The CSI Office concludes that OOD should proceed in filing the proposed rules with the Joint Committee on Agency Rule Review.