

# Impact of WIOA and Loss of Re-allotment on DVR Services

SRC Performance Review Committee

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# What Will Be Covered

- ▶ Overview of WIOA Pre-ETS
- ▶ Overview of Re-allotment
- ▶ Impact of WIOA on age distribution of consumers served
- ▶ Impact of WIOA and re-allotment on number of consumers served

# Overview of WIOA Pre-ETS

- ▶ Prior to WIOA 100% of the Title I Basic VR grant was for standard VR services meaning:
  - ▶ The consumer applied and was found eligible based on a disability that was a significant barrier to employment
  - ▶ The consumer developed a plan for employment outlining necessary services
  - ▶ The consumer was closed successfully if they achieved an employment outcome (they were employed for a minimum of 90 days)
  - ▶ VR generally only served high school students in the year prior to graduation/exit
  - ▶ There was no requirement that DVR spend a specific percentage of funds on students in transition

# Overview of WIOA Pre-ETS

- ▶ WIOA created a new program called Pre-Employment Transition Service which:
  - ▶ Could only be provided to high school students on an IEP or 504
  - ▶ Only allowed 5 required services
    - ▶ Job exploration counseling
    - ▶ Work-based learning experiences, which may include in-school or after school opportunities, experiences outside of the traditional school setting, and/or internships
    - ▶ Counseling on opportunities for enrollment in comprehensive transition or postsecondary educational programs
    - ▶ Workplace readiness training to develop social skills and independent living
    - ▶ Instruction in self-advocacy
- ▶ Pre-ETS only services cannot result in a countable employment outcome for VR. They are considered pre-employment services.

# Overview of WIOA Pre-ETS

- ▶ WIOA did not provide new funds for Pre-ETS. Instead Congress assigned 15% of the Basic VR grant to Pre-ETS
- ▶ Because WIOA prohibited VR agencies from covering administrative costs with Pre-ETS the actual cost is greater than 15% of the award
- ▶ As a result WIOA effectively reduced funding for youth and adults in the core VR program
- ▶ As a result DVR reassign about \$1.5 million from services for youth and adults to students
- ▶ As noted Pre-ETS cases cannot result in an employment outcome unless the student goes on to enroll in the core VR program.

# Overview of Re-Allotment

- ▶ The Rehabilitation Services Administration (RSA) re-allots appropriated VR grant funds that other states cannot match
- ▶ Prior to 2008 re-allotment was minimal
- ▶ As a result of the 2008 great recession states drastically reduced state match to VR programs leaving over \$100 million in unmatched funds
- ▶ State like VT were able to draw down the unused funds
- ▶ Between 2008 and 2015 VR drew down between \$3 million and \$5.7 million in extra funds per year
- ▶ In 2016 re-allotment was radically reduced to \$1.4 million and by 2018 it was reduced to \$600,000

# Combined Financial and Service Impact

- ▶ Combination of loss of re-allotment and reassignment of resources meant that about \$6 million total funding reduction in the core VR program serving youth and adults. This equals about 25% of the total budget.
- ▶ 14.5 FTE VR counselors were reassigned to serve high school students exclusively
- ▶ 9 FTE positions were reassigned or not filled through attrition
- ▶ Cuts were made to other services and programs funded by VR including VABIR staff, supported employment, benefits counseling and case services

# Impact on Numbers Served Pre-ETS and Core VR

Year	Total Served	Change
2013	10,228	
2014	10,003	-2%
2015	9,641	-4%
2016	9,058	-6%
2017	8,826	-3%
2018	8,393	-5%
Total Change		-18%



# Age Distribution Pre-ETS and Core VR

Pre-ETS Implemented in 2015

Year	Under 22	% of Total	22-55	% of Total	55 Plus	% of Total
2013	2809	27%	6384	62%	1064	10%
2014	2638	26%	6218	62%	1192	12%
2015	2550	26%	5930	62%	1191	12%
2016	2979	33%	4980	55%	1135	13%
2017	3244	37%	4449	50%	1156	13%
2018	3563	42%	3797	45%	1046	12%
Total Change		15%		-17%		-2%

# VR Core Program

Year	Number Served	Change from Prior Year
2013	10,099	
2014	9,907	-2%
2015	9624	-3%
2016	8875	-8%
2017	8176	-8%
2018	7120	-13%
Total Change		-29%

# Age Distribution in VR Core Program

Year	Under 22	22-55	55 Plus
2013	2680	6384	1064
2014	2541	6218	1192
2015	2533	5930	1191
2016	2796	4980	1135
2017	2594	4449	1156
2018	2291	3796	1056
Total Change	-15%	-41%	-2%

## Other Factors That May have Impacted the Numbers

- ▶ As part of the Careers initiative DVR has focused on consumer engagement
- ▶ Historically, DVR kept individuals on caseloads who were not necessarily engaged in services
- ▶ In the transition to AWARE, we asked staff to review caseloads and close individuals who were not really engaged in the program (rather than carry them into the new system)
- ▶ We have encouraged counselors to keep caseloads manageable by focusing on engagement and closing consumers who are not ready to engage
- ▶ Hopefully this will result in better outcomes longer term

# The Bottom Line

- ▶ DVR is serving about 18% fewer people over all because of loss of re-allotment funding
- ▶ Because of Pre-ETS the age distribution of people served has shifted to a younger population
- ▶ The total served in the core VR program has dropped by 29% because of the combination of loss of re-allotment plus the shift of funds to Pre-ETS
- ▶ The drop in numbers served is disproportionately for adults 22 to 55