



Long Term Employment Support Services (LTESS)

&

Extended Employment Services (EES)

Policy Manual

Effective December 1, 2015

Virginia Department of Rehabilitative Services
8004 Franklin Farms Drive
Richmond, Virginia, 23229

Policies
Long Term Employment Support Services (LTESS)
Extended Employment Services (EES)

AUTHORITY:

Reference:

2011 General Assembly (House Bill Item 320, #4E)

“In allocating funds for Extended Employment Services, Long Term Employment Services (LTESS) and Economic Development, the Department of Rehabilitative Services shall consider recommendations from an established Employment Services Organization/LTESS Steering Committee”

2000 General Assembly (House Bill 2000, item 374 #1C)

“This amendment provides funding to expand long-term employment support services for persons with severe disabilities. The funds will be allocated based on recommendations from an established Steering Committee. These funds would not be used to supplant other funds used for this same purpose.”

STEERING COMMITTEE:

The purpose of the steering committee is to recommend to the DARS Commissioner a mechanism to allocate the funds to Employment Services Organizations. The Steering Committee will meet quarterly and annually make LTESS allocation recommendation to the Commissioner on the annual allocation and reallocation plans.

Fund Eligibility:

The LTESS fund allocation can be used for any long-term employment support service listed on the Provider’s rate sheet.

LTESS/EES funds cannot be used to support a person receiving long term employment support services or extended employment services when the person is eligible for funding from another source such as Medicaid Waiver. If an individual is on the Medicaid Waiver wait list they are eligible for LTESS/EES funding until they receive Medicaid waiver funding.

The funds cannot be used to supplant funding already in use for long-term employment support services.

This means if an individual is currently being funded by an existing source, requesting funding from the LTESS program would be supplanting funds. Individuals who have been sponsored for employment services by public funds during the past 6 months prior to application are not eligible for LTESS. There is a mechanism in place with DARS to make exceptions in the event of hardship. This requires the ESO to demonstrate that a hardship is imposed on the consumer and request in writing an exception to the 6 month rule from the Manager of Employment Services and Special Programs. LTESS funds must be managed in conjunction with other funding sources. Some of these sources may include Medicaid Waiver, CSB, DARS-EES funding, PASS, contract revenue, etc. The purpose of the LTESS program is to provide services beyond what is currently being provided to an individual. If an individual is currently being sponsored by one of the other public funding sources, then that support should continue. To replace any public funding with LTESS to free up that source for other purposes or to reduce the program is not consistent with the intent of the LTESS program. An individual, who has submitted a PASS but has not received confirmation, may be placed on the LTESS program until that funding source becomes available. If after an individual’s PASS is approved but only supports part of the cost of follow along, LTESS funds could be billed for the difference. This documentation should be submitted each month with the requisition/invoice.

Policies

Long Term Employment Support Services (LTESS)

Extended Employment Services (EES)

Policy

1. PROGRAM IMPLEMENTATION:

LTESS

The LTESS program will be administered through Appendix E - Provision of Long Term Employment Support Services to the Provider Agreement. The Appendix will specify the scope of services, specific conditions and reporting requirements under which these funds are accessed. LTESS funding is not disability specific, and therefore, organizations accepting LTESS funding must work with all DARS consumers and not discriminate on the basis of disability. DARS counselor approval for consumer enrollment in the program must be documented.

EES

The ESS program will be administered through Appendix C - Provision of Extended Employment Services to the Provider Agreement. The Appendix will specify the scope of services, specific conditions and reporting requirements under which these funds are accessed. DARS counselor approval is not required for consumer enrollment in the program.

2. EMPLOYMENT SERVICES ORGANIZATIONS ELIGIBILITY:

The funds are available to all Employment Services Organizations who hold a Provider Agreement with DARS and are approved to provide Extended Employment Services and/or Supported Employment Services. Organizations must be CARF accredited prior to receiving an allocation and maintain CARF accreditation.

In instances where an organization is not an approved Provider for Employment Support Services, that organization will have the option to apply to become a DARS approved Provider. A fully executed Provider agreement in employment support services is required prior to receiving any LTESS funding. See Section 11 for additional information on new Providers and underserved areas.

3. FISCAL YEAR

The fiscal year for both the LTESS and EES program is June 1 – May 31 each year. This ensures that all funds are exhausted in the appropriate timelines.

4. LTESS ALLOCATION/REALLOCATION PLAN:

Allocations are calculated using a 3-year rolling average of actual expenditures, giving credit for up to 125% of actual expenditures. It is important that all LTESS funds are utilized during the fiscal year and, periodically, starting in October, DARS reviews individual ESO expenditure patterns and can reallocate dollars based on these findings. All reallocations are completed with the knowledge and cooperation of the ESO and reflect changes in the current year allocation. If the utilization pattern of an ESO consistently falls below the original standard allocation, the allocation may be permanently lowered. DARS and the Steering Committee reserve the right to review these allocations for informational purposes when proposing future allocations. The Provider shall provide LTESS services based on its allocation and approved client applications. The Provider shall monitor utilization and expenditures and initiate appropriate actions to maintain the planned level of service and to offer continuity for the individual served. If a Provider chooses to maintain more individuals than their allocation can support, the Provider must be willing to assume responsibility for these individuals, even if no funds are available for reallocation during any given fiscal year. Enrollments in LTESS that

Policies

Long Term Employment Support Services (LTESS)

Extended Employment Services (EES)

exceed allocation by more than 125% are subject to prior approval by DARS staff and may be denied under circumstances deemed necessary by DARS. DARS reserves the right to schedule a site visit and program review to ensure quality programming.

5. ALLOCATION NOTIFICATION:

Providers will be notified, by email that their EES and/or LTESS allocation amounts for the upcoming fiscal year have been entered in to the system and are ready to be viewed prior to the start of the LTESS/EES fiscal year. The email notification will be sent to system users as well as Executive Directors.

6. DARS ADMINISTRATION:

DARS reserves the right to use up to 1.87% of the appropriation for administration.

7. CONSUMER MOVEMENT BETWEEN EES AND LTESS:

Program integrity between EES and LTESS will be maintained and consumer transfers between programs will be allowed under certain circumstances. For an individual to move from one program to another the originating program will be terminated and the receiving program will have an appropriate application completed and accepted.

8. TERMINATING A PROVIDER AGREEMENT

- A. When ending the Provider agreement with the Division of Rehabilitative Services Providers must immediately send a letter of notification with the anticipated date to end services. DARS will work with the Provider to identify the names and services of the consumers currently receiving services funded by EES/LTESS funds to seek alternative Providers in the area.
- B. Available funds for the current fiscal year will be transferred from the previous provider at a rate equal to the consumer's average monthly cost (greater of preceding 36 months or actual number of months served) times the number of months served by the current provider. Fund balances will be prorated to distribute available funds between multiple new providers.
- C. If the provider continues to operate a program and a consumer chooses to remain at with the original Provider, who terminated their provider agreement, it will be the responsibility of the consumer and the Provider to find the funding to provide the continued service.

9. ESO MERGERS

When an ESO is anticipating assuming the control of or merging with another ESO, DARS must be notified as soon as the decision is made in order to advise the ESO on the allocations in question. DARS will consider each request based on its unique set of circumstances and the Guiding Principles (see appendix A).

10. LTESS ALLOCATIONS Including New Providers and Unserved/Underserved

- A. The allocation formula is based on the following: No minimum amount, 3 year rolling average w/ 125% limit on utilization.
- B. The 3-year rolling average in the allocation formula does not imply that an ESO is entitled to an allocation for three years after they lose their Provider status. ESOs that fail to achieve CARF accreditation in accordance with the vendor agreement and/or

Policies

Long Term Employment Support Services (LTESS)

Extended Employment Services (EES)

ESOs that cease to provide services will be immediately dropped from the LTESS eligibility.

- C. By prior Steering Committee action, new Providers may become eligible for a LTESS allocation in only those fiscal years in which new (additional) LTESS funds are appropriated by the legislature. ESOs must be CARF accredited in order to receive allocation from LTESS funding.
- D. A formula is used that establishes how much new money is available for new Providers in any given year and how many new Providers may enter the program when new money becomes available. The following is the formula used:
 - I. In any fiscal year in which new (additional) LTESS funds are appropriated by the legislature, 5% of those funds, up to a maximum of \$30,000, will be set aside for new Provider use or for use in underserved or unserved areas;
 - II. Each new Provider enrolled will be given an allocation of not more or less than \$10,000. In years when 5% of new LTESS funds equal less than \$10,000, no new enrollments will be allowed. If 5% equals > \$10,000 but < than \$20,000, only one new Provider will be allowed; if 5% equals > than \$20,000 but < than \$30,000, only two new Providers will be allowed; and = \$30,000 a maximum of 3 Providers will be allowed.
 - III. New LTESS Providers will receive an allocation of \$10,000 per year for the first three years. For years 4 and beyond, the annual allocation will be computed in the same manner as all other LTESS ESO organizations (percent of total utilization w/125% cap). For years 2 and 3, calculations will be based on \$10,000 for each year or expenditures up to 125% for each year whichever is greater.
 - IV. *New Providers and existing Providers seeking LTESS for unserved or underserved areas* are enrolled on a first-come, first-serve basis, as measured by the date on which DARS receive their application for Provider status and LTESS participation.
- E. *With the exception of #C above, LTESS is not an economic development fund or a capacity-building fund. LTESS funds are not available based on projections of future consumer enrollments (i.e. for start-up costs or program expansion). For example, one cannot undertake Economic Development or other capacity building activity that depends on the receipt of future LTESS allocations for its long-term viability.*

11. EES Minimum Work Requirement (70 hours of work per month) for Onsite Employment E1100

Organizations who hire consumers as their employees in onsite employment and use EES funds to cover the costs of services provided will offer at a minimum 70 hours per month of paid work to each consumer in their employ.

- A. Any organization that falls below the average minimum of 70 hours of paid work will receive notification from DARS that they are in breach of the Provider agreement for Extended Employment Services (EES). The organization will need to provide DARS with a Corrective Action Plan within one month that will reflect actions the organization will take to bring their average hours of paid work for up to the 70 hour minimum.
- B. If a consumer cannot work the minimum hours due to disability, etc., the Provider can request an exemption that would exempt the consumers hours in the calculation of the total hours worked. If a consumer works less than a 70 hour minimum in a month

Policies

Long Term Employment Support Services (LTESS)

Extended Employment Services (EES)

because of hospitalization or illness, justification must be submitted for a temporary exemption for that month. Exempt consumer statistics will not be included in the calculation of the average annual hours worked. Additionally, exceptions to the rule can be requested from DARS for such things as loss of a major contract. Exceptions are for short periods of time (determined by DARS).

- C. EES Providers that are not at the 70 hour minimum will have their EES allocations adjusted downward in line with the 70 hour requirement.
- D. If a Provider does not comply with the Corrective Action Plan submitted within the timelines agreed to the following formula will be used to reduce the Providers EES allocation.
 - i. FORMULA:
 - 1. The total paid hours of work for all consumers (less exemptions) of the EES Provider at the end of the year is divided by 840 (70 hours/month times 12 months). This provides the number of full time equivalents (FTEs) the organization can support at 70 hours/month.
 - 2. The number of non-exempt FTEs is multiplied by the ESOs cost to serve one consumer for one year to determine the support dollars needed for these FTEs.
 - 3. The exemption total and the FTE total are then subtracted from the original allocation leaving a balance. The EES Provider's EES annual allocation will permanently be reduced by this amount.
- E. The funds reduced from an EES Provider will be placed in a reserve. If consumers lose employment as a result of this action,
 - i. DARS will attempt to ensure the funding for these consumers follow the consumers and remain in the same locality.
 - ii. After the first three months, and a Provider is not identified, DARS will take 25% of the funds and make them available to all EES Providers in the next reallocation. An additional 25% will be made available to all EES Providers each quarter. Providers who currently have an EES allocation will be given first right of refusal, but if they cannot assume the services for these individuals, any approved Provider of Extended Employment Services may request to provide the service and would become a full partner in the EES allocation pool. If consumers do not lose employment due to these actions, the funds will be placed in a reserve and distributed statewide permanently the following year.

12. APPEALS PROCESS

For purposes of the LTESS fund, all appeals will be forwarded to the Director of the Division of Rehabilitation Services (DRS) within 30 days. The Director of DRS will issue a decision within 30 days of receipt of the appeal. If the ESO wishes to appeal the decision of the Director of DRS, the appeal and the first line decision will be provided to the appropriate sub-committee of the ESO Steering Committee for review and a recommendation to the DARS Commissioner. The DARS commissioner will issue a decision within 30 days. The decision of the DARS Commissioner, based on previous information, is final.

13. Definitions

Policies

Long Term Employment Support Services (LTESS)

Extended Employment Services (EES)

- A. Long Term Employment Support Services (LTESS): provides support services to persons with significant disabilities who become employed. Through LTESS, the Employment Services Organizations (ESOs) provide supervision and other supports necessary for individuals to maintain employment. The various LTESS work environments include a full array of services including the individual supported employment model, facility employment, enclave. As a cooperative program with the Division of Rehabilitative Services the vocational rehabilitation counselor must be involved in the approval of consumers for LTESS funding.

- B. Extended Employment Services: This fund was developed in the early 1980s to provide support to individuals receiving services in a sheltered workshop. At one time designated solely for services provided to support individuals in Sheltered Workshop the service has evolved to allow for individual integrated employment services. The funds are allocated to a designated group of ESOs that were providing services when the fund was developed.