

DARS Vendor Agreement APPENDIX C

PROVISION OF EXTENDED EMPLOYMENT SERVICES

This Appendix defines general expectations applicable to the provision of Extended Employment Services to eligible and appropriate individuals funded by the Department.

I. SCOPE OF SERVICES

- A. The vendor shall provide employment services to eligible individuals in accordance with U. S. Department of Labor regulations (including the holding of a valid and current Section 14(c) Certificate), and be CARF accredited.
- B. The vendor shall maintain ongoing CARF accreditation in the appropriate CARF categories related to the services provided.
- C. The Vendor shall provide appropriate and stable paid work for a minimum of 90 hours a month including paid breaks but excluding lunch. During periods when work is not available, the Vendor shall provide appropriate individual or group learning activities (down-time training) on a planned basis in support of employment goals. In cases where individualized client needs dictate a reduced work schedule, the Vendor must request a waiver to the minimum work requirement accompanied by justification for the consumer's continued participation in the EES program. The waiver must be granted, in writing, by DARS before the consumer's reduced schedule can be exempted from the minimum work requirement. When the average monthly hours of paid work provided by the ESO falls below a minimum 70 hours the Corrective Action Guidelines (Attachment 1) will be employed.
- D. The Vendor shall identify the persons to be served and submit completed applications to the Department.
- E. The Vendor shall provide Extended Employment Services based on the funding allocation and approved consumer applications. The Vendor shall monitor utilization and expenditures and initiate appropriate actions to maintain the planned level of service, not to exceed the annual DARS allocation.
- F. The Vendor shall provide services to individuals who are significantly disabled and who require support to maintain employment.
- G. The Vendor may provide or arrange for transportation for individuals in extended employment services as needed if they are meeting the criteria for hours worked. When no other source of funding is available, the Vendor may utilize Extended Employment Services funds, as available, for transportation services.
- H. The Vendor shall provide program management services for individuals funded through Extended Employment Services, to include: (a) the development and implementation of an Extended Employment Services Plan that is based upon the individual's strengths, abilities, needs, and preferences and that helps to maximize each

DARS Vendor Agreement APPENDIX C

person's potential for higher levels of work and earnings; (b) the maintenance of a general work environment in which standards of behavior and levels of performance are appropriately reinforced by support; (c) and periodic review of the individual's progress and reassessment of their appropriateness for other modes of training or employment, including supported or competitive placement. The plan should incorporate the best practices of services delivery commonly accepted in the field of rehabilitation and should specify a level of services consistent with the needs of the person served.

- I. The Vendor shall maintain for DARS review an individual case record for each person served that is clear, complete, and current. Records should include, but not be limited to, documentation of disability, individual service plans, progress reports, transportation logs, attendance and payroll records.
- J. The Vendor shall submit reports in the manner prescribed by the guidelines of the programs and as prescribed by the Department. As a minimum, this shall include Consumer Application Forms and Closure of Service Forms, to be submitted on standardized forms no later than the twentieth (20th) day of the month prior to the provision of services.

II. EVALUATION CRITERIA

Services delivered under this Appendix to the Agreement shall be evaluated in accordance with the Scope of Services articulated in this document. Program reviews shall focus upon, but not be limited to:

- A. The availability and stability of appropriate work provided for persons with significant disabilities.
- B. The actual number of paid work hours provided on a monthly basis for the persons served.
- C. The existence of effective intra/inter agency referral and screening procedures for consumer sponsorship.
- D. The provision of program management services as outlined in the Scope of Services and as reflected by the submission of required documents and maintenance of appropriate case documentation.
- E. The degree to which the planned program utilization and projected funding allocation is monitored, utilized, and managed efficiently by the Vendor.
- F. The timely and accurate submission of all invoices, reports, and documents as required.
- G. The maintenance of and compliance with a current vendor agreement.

DARS Vendor Agreement APPENDIX C

III. REPORTING AND BILLING REQUIREMENTS

- A. The Department shall notify the Vendor of its annual funding allocation. Actual reimbursement shall be on a fee-for-service utilization basis. The Department shall reimburse the Vendor within 20 days of receipt of an appropriate and accurate invoice. The Vendor will be paid at the established daily/hourly unit of service rate for services provided to designated clients. Utilization patterns and allocations will be reviewed periodically and at the end of the fiscal year for possible reallocation in order to ensure maximum services throughout the Commonwealth.
- B. The Department shall provide a Requisition/Invoice by the first (1st) day of each month.
- C. The Vendor must submit monthly invoices using the LTESS/EES Internet based Requisitioning System by the tenth (10th) day of the month following the month services are provided. The Department shall not be obligated to pay for services when the Vendor fails to submit an accurate invoice within thirty days after the close of the calendar month in which services are delivered. The Department reserves the right to withhold payment to an organization when the service provided falls outside the scope of the work program.

DARS Vendor Agreement APPENDIX C

Appendix C - Attachment 1

Extended Employment Services (EES) Program Corrective Action Guidelines

March, 2005

The Extended Employment Services (EES) Program is administered by the Virginia Department for Aging and Rehabilitative Services (DARS). Funds in this program are appropriated by the legislature to provide employment supports for people with disabilities who work on enclaves, mobile crews in the community, within Virginia's Employment Service Organizations (ESOESOs) and Individual Competitive Employment following the requirements presented in the current Appendix C.

In the administration of the program there will be times when an ESO falls below the standards set in Appendix C and it is necessary and appropriate for DARS to place the ESO on probation and require a Corrective Action Plan. It is the intent of DARS to allow an out-of-compliance ESO every opportunity to meet the minimum requirements before total loss of funding. There are no surprises and all parties involved are fully aware of the ramifications of non-compliance. It is not the intent of DARS to harm the consumer and every effort will be made to see that consumers do not lose services although there is no guarantee.

It may become necessary and appropriate for DARS to move EES funds and/or consumers from one participating ESO to another when an out-of-compliance ESO either cannot or will not bring themselves up to standard. There may be other reasons for loss of funding including program closure, lost accreditation, ESO relocation, etc. DARS will make the final determination.

The Corrective Action Guidelines provide DARS and the ESO with a flexible process that may be used when circumstances make action necessary and/or appropriate. It is expected that DARS will use its professional judgment and considerable experience to evaluate circumstances and determine its response. It is understood that not all ESOs are the same. They vary in mission, values, experience, capacity, and available resources. DARS will take those differences into account when applying these Guidelines.

Clarification of terms in the Correction Action Guidelines

One Month Notification means a ESO will be on notice for the following six months and tracked closely by DARS for either the increase in hours at the end of six months, or the continued out-of-compliance status of the ESO.

Corrective Action Plan (CAP) means an ESO must submit, in writing, a plan of action that would include steps to be taken to meet the standards. This could include new contracts sought after, staff to be hired, training plans, longer work hours provided, movement of consumers referred back to DARS for eventual transfer to LTESS for supported employment, or movement of inappropriate consumers out of the EES program so more work is available for appropriate

DARS Vendor Agreement APPENDIX C

consumers, etc. The CAP must be approved by DARS, will be monitored by DARS closely and must have an agreed upon end not to exceed one year.

Probation means an ESO will not be able to add new consumers to the rolls to replace those leaving until the hours of paid work provided for the remaining consumers meets the 70 hour minimum. In probation the ESO will be tracked closely by DARS, will have to submit formal updates on the steps taken to meet the minimum hours, and there must be some in hours on an incremental basis. All parties involved (board, executive director and staff, and consumers and families) will be notified of this status.

Final Probation means an ESO will not be able to add new consumers to the rolls, not receive reallocations, and will also not receive reimbursement for any consumer that falls below 70 hours for any month. If at the end of six months in this status and the organization still fails to meet the average, the ESO and all parties involved will be notified of the ESO's loss of funding at 12 month. This has given the ESO up to two and one half years to meet the expectations of the Guidelines.

Method for adjusting EES allocations to organizations failing to meet minimum 70 hours

Beginning June 1, 2005 (FY 2006) using the previous 12 month yearly average, any organization that fell below the average minimum of 70 hours of paid work will receive notification from DARS that they are in breach of the vendor agreement for Extended Employment Services. The organization will need to provide DARS with a Correction Action Plan within one month that will reflect actions the organization will take to bring their average hours of paid work for FY 2006 up to the 70 hour minimum. During FY 2006, no organization will be penalized for falling below the minimum 70 hours of paid work on a monthly basis, allowing organizations the entire year to increase their hours. However, if at the end of FY 2006 the cumulative yearly average hours still fall below 70, there will be a reduction in the EES allocation for FY 2007 based on the formula below.

Beginning July 1st 2006 (FY 2007), DARS will employ a new system of reimbursement for EES services to organizations. EES vendors that provide a minimum average of 70 hours of paid work per month (less approved waivers) will not be impacted. The new system will be based on an annual calculation using the Full Time Equivalent (FTE) concept. The full time equivalent will be the basis for determining an appropriate level of allocation.

If a consumer cannot work the minimum hours due to disability, etc., the vendor can request a waiver that would exempt the consumers hours in the calculation of the total hours worked. The waiver can assist the vendor in meeting their 70 hour minimum. If a consumer works less than a 70 hour minimum in a month because of hospitalization or illness, justification must be submitted for a temporary waiver for that month. Waiver approved 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). DARS will work with any EES vendor to overcome cyclical down periods normally incurred.

DARS Vendor Agreement APPENDIX C

Starting June 2005 (FY 2006), EES vendors will have 12 months to bring their average monthly hours up to or exceed the 70 hour minimum referenced in Appendix C of their vendor agreement. All EES vendors at or above 70 hours at the end of 12 months will receive their regular EES allocation as usual for FY 2007.

EES vendors that are not at the 70 hour minimum will have their EES allocations adjusted downward in line with the 70 hour requirement. The following formula will be employed to make the adjustments:

FORMULA:

1. The total paid hours of work for all consumers (less waivers) of the EES vendor 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 approved waivers are multiplied by the EES vendor's daily rate to calculate the EES dollars set aside out of the allocation for waiver consumers.
3. The number non-waiver of FTEs is multiplied by the ESO's cost to serve one consumer for one year to determine the support dollars needed for these FTEs.
4. The waiver total and the FTE total are then subtracted from the original allocation leaving a balance. The EES vendor's EES annual allocation will permanently be reduced by this amount.

The funds reduced from an EES vendor will be placed in a reserve. If consumers lose their employment as a result of this action, DARS will attempt to ensure the funding for these consumers follow the consumers and remain in the same locality. After the first three months, and a vendor is not identified, DARS will take 25% of the funds and make them available to all EES vendors in the next reallocation. If necessary, this could happen each subsequent quarter. Vendors 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 vendor 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. Start up funding may be available through LTESS.

DARS reserves the right to act independently and take action if an ESO does not cooperate.