

Justification for Order of Selection:

Leading up to FFY 2012, the North Dakota Division of Vocational Rehabilitation experienced a significant increase in case service expenditures and in 2011 expenditures exceeded the grant award by more than \$3.2 million, depleting the carry forward. As a result, it was determined that there would not be sufficient financial resources to provide vocational rehabilitation services to all eligible individuals. Consequently, in consultation with the State Rehabilitation Council and the Rehabilitation Services Administration, Order of Selection for services was implemented.

Since moving into an Order of Selection, DVR has been revising our policies and reducing our case service expenditures. As a result, we were able to begin opening categories in December 2012 and as of February 2014, all categories were open with no wait list.

Several factors continue to be analyzed to determine whether NDVR has sufficient funds to serve all eligible applicants. These factors include:

- anticipated federal grant and match;
- NDVR anticipates a MOE penalty in FFY 2015 due to the over match used to capture re-allotment funds in FFY 2012;
- inflationary increases of 4% in compensation for DVR staff;
- anticipated reduction in total funds in FFY 2015 due to the long term impact of FFY 2013 sequestration of 5 percent;
- with all categories open, the number of applicants has increased and the case loads are becoming larger;
- estimated inflationary cost of services provided through an IPE. The Board of Higher Education in North Dakota has announced that tuition at the 11 post-secondary institutions will increase 7% for smaller community colleges and 4% for the State's larger Universities;
- the important recommendation of the State Rehabilitation Council that NDVR continue OOS.

The sum of all program costs for the most recently submitted RSA2 totaled \$11,687,754. Anticipated total federal grant and match, with MOE penalty for the VR program in FFY 2015, is \$12,753,319. It is anticipated that the remainder between the federal grant and match for FFY15 will be necessary to meet inflationary increases in administrative, counseling, assessment and placement service, and services authorized through Individualized Plans for Employment.

All eligible individuals with disabilities will be assigned a priority category, notified of their assigned category, and notified of their right to appeal that assignment. All necessary and reasonable services shall be available to individuals receiving services under an Order of Selection.

Description of Priority categories:

Priority Category 1 - Individuals determined to have a most significant disability

- (1) those who meet the criteria for significant disability, but are seriously limited in two or more functional capacities (such as mobility, communication, self-care, self-direction, interpersonal skills, work tolerance, or work skills) in terms of an employment outcome; and
- (2) require multiple core services over an extended period of time (six months or more).

Priority Category 2 - Individuals with significant disabilities

- (1) individuals who are receiving Social Security Disability Insurance or Supplemental Security Income; or
- (2) those who have significant physical or mental impairments which seriously limit one functional capacity (such as mobility, communication, self-care, self-direction, interpersonal skills, work tolerance, or work skills) in terms of an employment outcome; and
- (3) whose vocational rehabilitation can be expected to require multiple vocational rehabilitation services over an extended period of time (over six months); and
- (4) who have one or more physical or mental disabilities resulting from: amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, cystic fibrosis, deafness, head injury, heart disease, hemiplegia, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculoskeletal disorders, neurological disorders (including stroke and epilepsy), paraplegia, quadriplegia and other spinal cord conditions, sickle cell anemia, specific learning disability, end-stage renal disease, or another disability or combination of disabilities determined on the basis of an assessment for determining eligibility and vocational rehabilitation needs to cause comparable substantial functional limitations.

Priority Category 3 - Other individuals with disabilities

All applicants, including those in trial work programs, shall receive services necessary to determine eligibility for Vocational Rehabilitation services and Order of Selection priority classification without regard to the availability of funds or the implementation of the Order of Selection. Such services shall be provided on a timely basis in accordance with the provisions of the Rehabilitation Act of 1973, as amended.

Priority of categories to receive VR services under the order:

Services are offered to individuals based on their service status at the time of application, their priority category and their date of application. At this time, we are continuing to provide services to all individuals.

Service and outcome goals and the time within which the goals will be achieved:

All categories are currently open. This chart includes individuals who are currently open and an estimate of new applicants. We are estimating that 1,750 individuals will receive services and that 469 individuals will exit services with employment after receiving services. We are also anticipating an estimated 584 individuals to exit services without achieving their employment goal.

PRIORITY CATEGORY	ESTIMATED NUMBER TO BE SERVED	ESTIMATED NUMBER REHABILITATED	ESTIMATED NUMBER TO EXIT NOT REHABILITATED AFTER RECEIVING SERVICES	TIME WITHIN WHICH GOALS ARE TO BE ACHIEVED	COST OF SERVICES
1	1698	187	243	29 months	\$2,368,800
2	2380	235	310	29 months	\$3,328,100
3	438	47	31	29 months	\$611,100