

- RSC anticipates job placements to decrease 5% in FY 2002 and decrease 3% in FY 2003
- RSC expects the waiting list for vocational rehabilitation services to increase from 3,800 to approximately 7,000

Rehabilitation Services Commission

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ROLE

The Rehabilitation Services Commission (RSC) provides vocational rehabilitation and other related services to eligible Ohioans with disabilities who seek employment. Since its inception in 1970, the commission has rehabilitated more than 250,000 Ohioans with disabilities. The mission of RSC is to work in partnership with Ohioans with significant disabilities to assist them in achieving greater community participation through opportunities for employment and independence. Most of the partnerships are designed to maximize federal, state, and local resources to promote quality jobs, improve access to employment services, and improve consumer choice in selecting community-based rehabilitation services.

During Federal Fiscal Year (FFY) 2000, RSC successfully rehabilitated 7,336 consumers, an 11.7 percent increase over FFY 1999. According to the commission, the 1990 federal census revealed that 369,000 adult Ohioans reported self-care limitations and 1,029,000 adults have disabilities that limit their mobility. Census figures also indicate that 62 percent of Ohioans of traditional workforce age who have a disability either are unemployed or prevented from working. (The U.S. Census Bureau has not yet released the results of Census 2000.)

Agency In Brief					
Number of Employees	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2002	2003	2002	2003	
1,294	\$255.0 million	\$252.1 million	\$25.2 million	\$25.9 million	Am. Sub. H.B. 94 Am. Sub. H.B. 299

OVERVIEW

Due to the state and federal appropriation levels in Am. Sub. H.B 94, RSC expects the waiting list for vocational rehabilitation (VR) services to increase. RSC has proposed several changes in the VR program to offset the shortfall of funds including phasing out the Pathways program and eliminating two of the three existing cash transfer agreements.

BUDGET ISSUES

Vocational Rehabilitation

The Vocational Rehabilitation (VR) program area provides direct, personalized VR services to help Ohioans with severe disabilities get and keep jobs and become self-sufficient. Through partnerships with many private and public entities, RSC provides employment opportunities, removes barriers to getting good jobs, and provides families and employers with the support needed to keep people with disabilities working and productive.

As the agency in Ohio designated to provide VR services under the Federal Rehabilitation Act of 1973, as amended, RSC is able to receive federal funding for its VR programs. For every \$1 in state VR funds, RSC receives \$3.69 in federal match.

Each year the federal VR program receives a cost of living adjustment (COLA) based on the Consumer Price Index. Each state's allocation of federal VR dollars is based largely on population demographics. Ohio's population is growing slower in relation to the nation's population. The result is less federal money available for Ohio's programs and a smaller percentage of the COLA. However, the population of persons with disabilities in Ohio continues to grow. Hence, the need for vocational rehabilitation services for those individuals increases as well.

Pathways Program: Since 1993, RSC has entered into partnerships with political subdivisions, primarily community mental health boards and county boards of mental retardation. The local entities directly provide or contract with local vendors for vocational rehabilitation services for individuals served through the Pathways program. The local entities provide funds, which RSC uses to leverage federal VR dollars. During FYs 2000-2001, RSC received all available federal funds.

In anticipation of declining federal funds, RSC proposes to phase-out the Pathways program over the two-year period starting in FY 2001. As Pathways is phased-out, people receiving Pathways services will be reassigned to a RSC counselor to avoid any interruptions in an individual's rehabilitation services.

Cash Transfer Agreements (CTAs) with other State Agencies: CTAs provide GRF dollars to match federal funds that are not directly appropriated in the RSC's budget.

In the past, RSC has joined other state agencies in partnerships to maximize federal funding in serving mutually-eligible Ohioans with disabilities. RSC has had CTAs with the Department of Youth Services (DYS), Bureau of Workers Compensation (BWC), Ohio Department of Alcohol and Drug Addiction Services (ADA), Department of Mental Retardation and Developmental Disabilities (DMR), Department of Mental Health (DMH), and Department of Human Services (HUM), which is now part of the Department of Job and Family Services (JFS).

Beginning in FY 1998, in lieu of CTAs, RSC received direct appropriations for the purpose of providing VR services to mutually-eligible consumers between RSC and DMR, DMH, and HUM (now JFS). CTAs continued between RSC and DYS, BWC, and ADA.


During the FY 2000-2001 biennium, the commission's CTAs provided \$1,669,406 in state moneys to leverage \$5,187,293 in federal matching funds for vocational rehabilitation services to mutually-eligible clients of RSC and its CTA partners.

Challenges in the administration of CTAs include assuring the mission of both agencies is fully served by the activities funded through the agreement. The commission's goal of helping its consumers find and retain employment can conflict, for example, with DYS' priority in taking youth offenders off the street or with ODADAS' priority of obtaining and maintaining treatment for drug and alcohol addiction.

For FY 2002 and FY 2003, CTAs with ODADAS and DYS have been eliminated. However, RSC will continue the CTA with BWC. RSC expects to receive \$554,033 in FY 2002 and \$570,654 in FY 2003 from BWC. The federal match for these moneys will total \$4,155,534 in the FY 2002-2003 biennium.

As mentioned earlier, due to the federal allocation formula and Ohio's population growth relative to the rest of the nation, there are less federal VR dollars available to Ohio and subsequently a smaller COLA. RSC has been working with other states, similarly affected by the COLA issue. RSC is working toward adjusting the federal VR allocation formula to ensure each state receives at least the COLA. RSC has been working with the Governor's Washington office, the Ohio congressional delegation, and other interested parties to accomplish this goal. Resolving this issue requires legislative action at the federal level and RSC is working for change prior to the time next year's federal appropriations are made.

The final GRF appropriations for RSC were for \$25.2 million in FY 2002 and \$25.9 million in FY 2003. Approximately \$1.5 million of the GRF appropriations for RSC come from a transfer of funds that originate at JFS. H.B. 94 requires JFS to file claims with the U.S. Department of Health and Human Services for reimbursement for all allowable expenditures for services provided by JFS, or other agencies that may qualify for Social Services Block Grant funding pursuant to Title XX of the Social Security Act. H.B. 94 requires that JFS, in FY 2002, deposit \$600,000 of those reimbursement dollars into Fund 3W2, Title XX Rehabilitation. H.B. 299 requires that JFS, in FY 2003, deposit \$897,052 of those reimbursements dollars into the same fund. On verification of the receipt of revenue into that fund, the Director of Budget and Management is to transfer those funds to the GRF. The funds are then appropriated to RSC in appropriation line item 415-506, Services for People with Disabilities. The amounts appropriated to that appropriation line item in H.B. 94 include the transferred funds.

Overall, the appropriation levels in H.B. 94 will enable RSC to match all federal funds available to Ohio for VR services. However, RSC anticipates a decrease in the number of competitive job placements for consumers with severe disabilities. Specifically, RSC expects job placements to decrease from 6,094 in FY 2001 to 5,800 in FY 2002, which is a 5 percent decrease. RSC anticipates placements to decrease from 5,800 in FY 2002 to 5,626 in FY 2003, which is a 3 percent decrease. However, RSC expects improvements in measures of program quality, such as hourly wage and hours worked per week. RSC expects the number of consumers waiting to be assisted by a VR counselor to increase from the current waiting list of 3,800 to approximately 7,000. A waiting list of 7,000 translates into approximately a five-month wait. According to RSC, this figure includes the variable of "where" in the rehabilitation process the consumers will be asked to wait. An individual may wait for initial contact with a counselor and then wait again for an eligibility evaluation. If the person is determined to be eligible, the person may wait for development of an individual plan of employment and then wait again before the plan is put into action. 

FY 2002 - 2003 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

*FY 1999: FY 2000: FY 2001: **FY 2002** % Change **FY 2003** % Change*
Appropriations: 2001 to 2002: Appropriations: 2002 to 2003:

Report For: Main Operating Appropriations Bill

Version: Enacted

RSC Rehabilitation Services Commission

GRF	415-100	Personal Services	\$ 7,391,023	\$ 7,979,892	\$7,699,244	\$ 8,506,587	10.49%	\$ 8,949,644	5.21%
GRF	415-401	Personal Care Assistance	\$ 770,567	\$ 952,483	\$730,767	\$ 943,374	29.09%	\$ 943,374	0.00%
GRF	415-402	Independent Living Council	\$ 414,533	\$ 358,046	\$454,141	\$ 398,582	-12.23%	\$ 398,582	0.00%
GRF	415-403	Mental Health Services	\$ 742,499	\$ 757,674	\$776,449	\$ 754,473	-2.83%	\$ 754,473	0.00%
GRF	415-404	MR/DD Services	\$ 1,305,253	\$ 1,326,913	\$1,375,570	\$ 1,326,302	-3.58%	\$ 1,326,301	0.00%
GRF	415-405	Vocational Rehabilitation/ Job and Famil	\$ 554,659	\$ 568,240	\$582,562	\$ 564,799	-3.05%	\$ 564,799	0.00%
GRF	415-406	Assistive Technology	----	----		\$ 50,000	N/A	\$ 50,000	0.00%
GRF	415-431	Office for People with Brain Injury	\$ 251,264	\$ 104,914	\$311,870	\$ 246,856	-20.85%	\$ 247,746	0.36%
GRF	415-506	Services for People with Disabilities	\$ 7,539,287	\$ 14,453,501	\$12,773,917	\$ 11,785,245	-7.74%	\$ 12,082,297	2.52%
GRF	415-508	Services for the Deaf	\$ 48,365	\$ 118,031	\$179,860	\$ 145,040	-19.36%	\$ 145,040	0.00%
GRF	415-509	Services for the Elderly	\$ 372,043	\$ 376,634	\$393,702	\$ 378,043	-3.98%	\$ 378,044	0.00%
GRF	415-520	Independent Living Services	\$ 60,109	\$ 61,492	\$61,319	\$ 61,078	-0.39%	\$ 61,078	0.00%
General Revenue Fund Total			\$ 19,449,602	\$ 27,057,820	\$ 25,339,400	\$ 25,160,379	-0.71%	\$ 25,901,378	2.95%
4W5	415-606	Administrative Expenses	\$ 15,477,019	\$ 15,362,148	\$15,173,266	\$ 18,775,759	23.74%	\$ 19,649,829	4.66%
467	415-609	Business Enterprise Operating Expens	\$ 1,256,336	\$ 1,432,213	\$1,281,990	\$ 1,585,602	23.68%	\$ 1,493,586	-5.80%
5L9	415-621	TANF/PCA Maintenance of Effort	----	----	\$28,192	\$ 0	-100.00%	\$ 0	N/A
5L9	415-622	TANF/PRCDR	----	----	\$42,390	\$ 0	-100.00%	\$ 0	N/A
General Services Fund Group Total			\$ 16,733,355	\$ 16,794,361	\$ 16,525,838	\$ 20,361,361	23.21%	\$ 21,143,415	3.84%
3L1	415-601	Social Security Personal Care Assista	\$ 2,396,544	\$ 2,267,279	\$2,829,645	\$ 3,044,146	7.58%	\$ 3,044,146	0.00%
3L1	415-603	Social Security Independent Living Ser	\$ 0	----		----	N/A	----	N/A
3L1	415-604	Social Security Independent Living Cen	\$ 0	----		----	N/A	----	N/A
3L1	415-605	Social Security Community Centers for	\$ 1,152,805	\$ 1,037,557	\$1,100,609	\$ 1,100,488	-0.01%	\$ 1,100,488	0.00%
3L1	415-607	Social Security Administration Costs	\$ 131,134	\$ 143,119	\$138,732	\$ 163,596	17.92%	\$ 171,085	4.58%
3L1	415-608	Social Security Special Programs/ Assi	\$ 625,006	\$ 2,530,887	\$2,960,702	\$ 16,949,140	472.47%	\$ 7,309,984	-56.87%
3L1	415-610	Social Security Vocational Rehabilitatio	\$ 1,350,422	\$ 1,496,884	\$1,457,177	\$ 1,338,324	-8.16%	\$ 1,338,324	0.00%
3L4	415-611	Federal-Independent Living Council	\$ 32,260	\$ 191,648	\$82,392	\$ 0	-100.00%	\$ 0	N/A
3L4	415-612	Federal Independent Living Centers or	\$ 456,461	\$ 613,434	\$434,241	\$ 681,726	56.99%	\$ 681,726	0.00%
3L1	415-613	Supportive Services	\$ 0	\$ 0		\$ 0	N/A	\$ 0	N/A
3L1	415-614	Social Security Independent Living	\$ 455,649	\$ 229,404	\$312,598	\$ 0	-100.00%	\$ 0	N/A

FY 2002 - 2003 Final Appropriation Amounts

All Fund Groups

<i>Line Item Detail by Agency</i>			<i>FY 1999:</i>	<i>FY 2000:</i>	<i>FY 2001:</i>	<i>FY 2002 Appropriations:</i>	<i>% Change 2001 to 2002:</i>	<i>FY 2003 Appropriations:</i>	<i>% Change 2002 to 2003:</i>
RSC Rehabilitation Services Commission									
3L4	415-615	Federal-Supported Employment	\$ 2,007,351	\$ 1,364,839	\$1,569,561	\$ 1,753,738	11.73%	\$ 1,753,738	0.00%
379	415-616	Federal-Vocational Rehabilitation	\$ 110,328,920	\$ 107,155,473	\$102,130,390	\$ 107,747,928	5.50%	\$ 110,980,366	3.00%
3L4	415-617	Independent Living/Vocational Rehabilit	\$ 232,257	\$ 238,115	\$813,610	\$ 1,033,853	27.07%	\$ 1,035,196	0.13%
317	415-620	Disability Determination	\$ 56,658,330	\$ 60,712,084	\$60,059,694	\$ 68,752,767	14.47%	\$ 71,452,334	3.93%
Federal Special Revenue Fund Group Total			\$ 175,827,139	\$ 177,980,723	\$ 173,889,351	\$ 202,565,706	16.49%	\$ 198,867,387	-1.83%
468	415-618	Third Party Funding	\$ 5,242,949	\$ 3,640,126	\$3,870,942	\$ 1,231,465	-68.19%	\$ 892,991	-27.49%
4L1	415-619	Services for Rehabilitation	\$ 1,780,303	\$ 3,422,070	\$3,334,940	\$ 5,698,621	70.88%	\$ 5,260,262	-7.69%
State Special Revenue Fund Group Total			\$ 7,023,252	\$ 7,062,196	\$ 7,205,882	\$ 6,930,086	-3.83%	\$ 6,153,253	-11.21%
Rehabilitation Services Commission Total			\$ 219,033,348	\$ 228,895,100	\$ 222,960,471	\$ 255,017,532	14.38%	\$ 252,065,433	-1.16%