

**FISCAL YEAR 2010
MONITORING REPORT ON THE
VOCATIONAL REHABILITATION AND
INDEPENDENT LIVING PROGRAMS
IN THE STATE OF
MISSISSIPPI**



**U.S. DEPARTMENT OF EDUCATION
OFFICE OF SPECIAL EDUCATION AND
REHABILITATIVE SERVICES
REHABILITATION SERVICES ADMINISTRATION**

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EXECUTIVE SUMMARY

During fiscal year (FY) 2010, the Rehabilitation Services Administration (RSA) reviewed the performance of the following programs authorized by the *Rehabilitation Act of 1973*, as amended (the Act) in the state of Mississippi:

- the vocational rehabilitation (VR) program, established under Title I;
- the supported employment (SE) program, established under Title VI, Part B;
- the independent living (IL) program, authorized under Title VII, Part B; and
- the independent living services program for older individuals who are blind (OIB), established under Title VII, Chapter 2.

Mississippi Administration of the VR, SE, IL and OIB Programs

Mississippi has designated the Mississippi Department of Rehabilitation Services (MDRS) as the sole agency to provide VR and SE services to individuals with disabilities. As the Designated State Agency (DSA), MDRS administers a combined program that serves individuals who are blind as well as individuals with other disabling conditions. MDRS also administers the IL and OIB programs.

MDRS Performance over the Past Five Years

Based on data provided by MDRS through various RSA reporting instruments, the agency's employment rate remained stable, ranging from 69.9 percent to 70.4 percent, during the period beginning in FY 2004 and ending in FY 2008. Over this same period, the number of new applicants for VR services decreased from 9,330 to 8,220, the number of individuals who received services under an individualized plan for employment decreased from 6,229 to 4,925 and the number of individuals the agency assisted to achieve employment increased from 4,453 to 4,555. The average hourly earnings of those individuals who achieved employment increased from \$9.65 to \$11.72.

During the same period, of those individuals who achieved a supported employment outcome, the number of outcomes remains stable, ranging from 117 to 123. The average hourly earnings for these individuals increased from \$5.80 to \$6.67.

Either directly, or through grants or contracts with centers for independent living (CILs) and other service providers, the number of individuals served through the MDRS IL Program increased from 2,442 to 3,296. At the same time, the number of individuals served through the agency's OIB program increased from 2,812 to 3,081.

Observations of the Agency and Stakeholders

Through the course of the review, agency personnel and representatives of stakeholders, such as the State Rehabilitation Council (SRC), Statewide Independent Living Council (SILC) and the Client Assistance Program, shared information concerning the administration and performance of the MDRS VR, SE, IL and OIB programs. During the review, they observed that:

- communication and training provided by the agency to its stakeholders is of high quality;
- MDRS has initiated several strategies to serve transition-age youths, emphasizing the use of structured, curriculum based training;
- the team approach and collocation of the agency programs facilitates effective access to MDRS services, expanding services for VR, IL and OIB consumers through efficient partnerships with one-stop programs;
- MDRS has a highly effective collaborative relationship with the one-stop partners in the Workforce Investment Network (WIN), ensuring individuals with disabilities are served by the agency that can address their needs most efficiently and effectively;
- MDRS needs to encourage a more active role with all of the members of the SRC;
- MDRS continues to be impacted by hurricane Katrina, which eliminated thousands of jobs, dislocated thousands of families in the southern counties of the state and resulted in an influx of individuals and families from southern Mississippi and other gulf coast states to central and northern Mississippi; and
- the availability of long-term funding for individuals who need supported employment services may be more limited in the future.

Strengths and Challenges:

Based on the observations from the agency and its stakeholders and other information gathered through the review process, RSA concluded that MDRS exhibited a variety of strengths and experienced a number of challenges that inhibited its ability to improve, the performance of its VR, SE, IL and OIB programs.

To enhance the effective and efficient delivery of services across its programs, MDRS cross-trains its line and management staff to perform the duties and responsibilities of other positions. This approach exposes supervisors to the skills required by vocational evaluators, employment coordinators and vocational counselors, as well as the challenges these employees experience in delivering services. This policy also prevents the interruption of services to individuals with disabilities by ensuring that other qualified personnel are available when assigned counselors or when other staff are temporarily or permanently not able to perform their jobs.

MDRS VR transition counselors provide a “career exploration curriculum” to VR eligible transition-age youths in high school in 179 of 280 Mississippi school districts. The curriculum provides an introduction to the world of work and emphasizes pre-employment skill development, labor market information and the identification of interests, skills and abilities. The curriculum facilitates informed choice in all aspects of career development and is integrated

with other classroom activities by the transition specialist to reinforce and complement the concepts taught.

MDRS operates a Business Development Services Bureau as an integral part of the agency's service delivery system. Bureau staff provide VR counselors with current labor market information and job leads related to employment goals identified in individualized plans for employment (IPE). The Business Development Services Bureau employment coordinator is involved in all aspects of the placement including developing the job, providing support for the interview and participating as part of the team that helps the individual acclimate to the duties and culture of the workplace to enhance the potential for successful employment outcomes.

MDRS manages two orientation centers for the blind, offering consumers both Traditional and Discovery methods for orientation and mobility training, while simultaneously providing a full range of vocational rehabilitation services. By making these options available, individuals are allowed to choose a program that meets their needs at a pace they are comfortable with.

The co-location of the VR, OVRB, IL and AbilityWorks programs facilitates quick and efficient communication that makes possible the collaboration between programs, improving consumer choice through access to multiple services.

The agency's deaf and hard of hearing program consists of ten counselors and eight interpreters. When the interpreters are not providing interpreting services, they provide job development and placement services. While data has not been kept on the number of placements made by the interpreters, one manager indicated they place nearly half of the deaf and hard of hearing consumers.

MDRS experienced several challenges, including declines in the number of applicants and IPEs developed since FY 2005. RSA acknowledges the impact of Hurricane Katrina in that and subsequent years on the agency's service delivery and that the resulting dislocation of thousands of families from the southern counties of the state contributed toward this decline. MDRS demonstrated a 27.1 percent reduction in applications and a 20.8 percent reduction in IPEs between FY 2004 and FY 2008.

MDRS devotes significant resources toward the provision of single-service physical restoration services. In FY 2008, 31 percent of the agency's total VR program budget and 66 percent of its purchased service expenditures were dedicated to the provision of such services.

MDRS does not fully engage members of the SRC in the development of both the comprehensive statewide needs assessment and the goals and priorities identified in the state plan. In addition, the agency has struggled to maintain timely appointments to the SRC.

Finally, Mississippi is a rural state with a struggling economy and little to no public transportation in many areas. The geography of the state presents challenges in service delivery to all of MDRS's programs. Although counselors are mobile and work a significant portion of their time in the community, services to those individuals who reside in the most rural parts of the state can be difficult to provide.

Acknowledgement

RSA wishes to express appreciation to the representatives of MDRS, the SRC, SILC and the stakeholders who assisted the RSA monitoring team in the review of the agency.

INTRODUCTION AND RSA REVIEW PROCESS

Introduction

Section 107 of the Rehabilitation Act of 1973, as amended (Act), requires the commissioner of the Rehabilitation Services Administration (RSA) to conduct annual reviews and periodic on-site monitoring of programs authorized under Title I of the Act to determine whether a state vocational rehabilitation (VR) agency is complying substantially with the provisions of its State Plan under section 101 of the Act and with the evaluation standards and performance indicators established under section 106. In addition, the commissioner must assess the degree to which VR agencies are complying with the assurances made in the state plan Supplement for Supported Employment (SE) Services under Title VI, Part B, of the Act and the independent living (IL) programs offered under Title VII of the Act are substantially complying with their respective state plan assurances and program requirements.

To fulfill its monitoring responsibilities, RSA:

- reviews the state agency's performance in assisting eligible individuals with disabilities to achieve high-quality employment and independent living outcomes;
- identifies strengths and challenges related to the agency's performance, areas of consistently high or improved performance and those areas of performance in need of improvement;
- recommends strategies to improve performance;
- requires corrective actions in response to compliance findings; and
- provides technical assistance to the state agency to enable it to enhance its performance, meet its goals and fulfill its state plan assurances.

Review Process

Pursuant to the Act, RSA reviewed the performance of the following programs administered by the Mississippi Department of Rehabilitation Services, MDRS:

- the VR program, established under Title I;
- the SE program, established under Title VI, Part B;
- the IL program authorized under Title VII, Part B; and
- the Independent Living Services program for older individuals who are blind (OIB), established under Title VII, Chapter 2.

Information Gathering and Review Process Activities

During FY 2010, RSA began its review of MDRS by analyzing information from a variety of sources, including but not limited to, RSA's various data collections, MDRS VR and IL state

plans and the agency's State Rehabilitation Council (SRC) Annual Report. After completing its internal review, the RSA review team:

- engaged in numerous teleconferences and other information gathering activities with representatives of MDRS, the SRC, Statewide Independent Living Council (SILC), Client Assistance Program and other stakeholders to gain a greater understanding of the agency's strengths and challenges related to the administration and performance of the VR, SE, IL and OIB programs; and
- conducted an on-site monitoring visit from April 12 through 16, 2010, during which it met with representatives of MDRS, the SRC, SILC and other stakeholders to further gather and analyze information and to provide technical assistance in areas already identified by the review team and MDRS.

Data Used During the Review

RSA's review of MDRS began in the fall of 2009 and ended in the summer of 2010. For the purpose of this review, RSA notes that its data collections are finalized and available at different times throughout the year. Consequently, the data collections for the fiscal year that ended immediately preceding that in which the review began (i.e., FY 2009) were not yet available when the review process began. Therefore, this report relies primarily on those data collections available for a completed fiscal year prior to the beginning of the review (i.e., FY 2008) as the sources of data describing the performance of the MDRS VR and SE programs. However when FY 2009 data became available toward the end of the review period, and if these data signaled a significantly different level of performance than the previous five year trend, RSA included the FY 2009 data in the report. For purposes of the IL and OIB programs, FY 2009 data were available and used as the sources of data describing the performance of MDRS.

Results of Review Activities

At the conclusion of all monitoring activities, the RSA review team:

- identified areas of consistently high or improved performance;
- identified performance areas for improvement and recommended that MDRS undertake specific actions to improve its performance,
- identified areas of non-compliance and corrective actions that the agency must take in order to resolve the finding; and
- in collaboration with MDRS determined whether RSA would provide technical assistance to improve the agency's performance or resolve the compliance finding.

Review Team Participants

Members of RSA's Mississippi review team included representatives from each of the five functional units within the State Monitoring and Program Improvement Division. The team included the following individuals: Janette Shell and James Billy (Technical Assistance Unit); Elizabeth Akinola (Independent Living Unit); Yann-Yann Shieh (Data Collection and Analysis

Unit); Tom Macy (Fiscal Unit); and Larry Vrooman and David Wachter (Vocational Rehabilitation Program Unit).

CHAPTER 1: MDRS VOCATIONAL REHABILITATION AND SUPPORTED EMPLOYMENT PROGRAMS

VR and SE Program Systems

The following sections of this chapter describe the manner in which MDRS administers and operates the VR and SE programs through a variety of functions or systems, including service delivery, personnel, case and data management, quality assurance and planning.

Service Delivery

For the purpose of administering the VR and SE programs, the MDRS Office of Vocational Rehabilitation Services (OVRs) is divided into four regions and further into ten districts, with two field offices per district. The Office for Vocational Services for the Blind (OVRB) is organized into two regions, six districts and 20 field offices.

Impact of Hurricane Katrina

Hurricane Katrina displaced thousands of Mississippi families from the southern counties, who either moved to the northern counties or out of the state in late FY 2005 and early FY 2006. MDRS offices in the gulf coast region experienced disruption due to office closures, as well as the availability of staff in the wake of Katrina, reducing access to MDRS in the immediate aftermath of the hurricane. The federal response to Katrina resulted in a large influx of FEMA funded jobs paying wages well over the prevailing wage in an environment where workers were in short supply. As a result, consumers who would normally have requested VR services may have been able to obtain employment on their own without seeking assistance from MDRS.

These factors combined to produce a 12 percent decrease in the number of applicants to the program between FY 2004 and FY 2008 and MDRS experienced a 20.8 percent reduction in the number of IPEs developed during this same period. Despite the reduction in applicants, MDRS maintained a rehabilitation rate of approximately 70 percent, the number of individuals receiving services increased from 6,372 to 6,471 and the number of successful employment outcomes increased from 4,455 to 4,553.

The hurricane had a similar impact on transition-age youths. Although the number of transition-age youths served by MDRS decreased 31.8 percent over the entire period of FY 2004 to FY 2009, 20.5 percent of that decrease occurred in FY 2005 and FY 2006. MDRS management and staff indicated that Hurricane Katrina displaced many Mississippi transition-age youths from their homes in late FY 2005, resulting in a change in school districts, the transfer of school records and the re-assessment of special education-eligible students. The agency indicated that these changes in turn led to a decrease of 261 student applications for VR services in FY 2006.

Order of Selection

MDRS implemented an Order of Selection (OOS) for the provision of VR Services in FY 2006 and remained on the OOS through FY 2009. Under the agency's OOS, individuals were assigned to one of three priority categories: individuals with the most significant disabilities, those with significant disabilities and all other eligible individuals. During the period of implementation, MDRS would close and reopen only the third category, while both the first and second categories remained open at all times. Consequently, MDRS re-assessed its financial and staff resources during FY 2009, and discontinued implementation of the order at the outset of FY 2010. Nonetheless, MDRS further assessed its resources following cut backs in state matching funds and implemented the order once again at the beginning of FY 2011.

Workforce Investment Network

Mississippi's workforce investment system is comprised of 41 one-stop centers. VR counselors are physically located in seven of these centers and MDRS is connected to the entire network technologically and through the exchange of referrals between programs. MDRS employs a WIA Director and a One-Stop Coordinator. These staff members are responsible for ensuring that the VR program is a full partner not only in the centers where VR staff are physically located, but throughout Mississippi's one-stop system, and that VR eligible individuals are able to fully access services through the one-stop system.

The agency's role within the one-stop system is clarified through Memoranda of Understanding with the State and each of the four local workforce investment areas. Additionally, Cost Sharing Agreements are negotiated annually with the seven centers where VR staff is located. During FY 2008, MDRS expended \$214,805 to support the operation of the one-stop service delivery system in these seven centers.

Transition Services

MDRS employs dedicated transition counselors who, along with other VR counselors, provide services to youths with disabilities during their last two years of high school, including outreach, guidance and counseling and enhanced career exploration services. The counselors also provide consultation and coordination of service provision with educators, students and families. MDRS staff also provides benefits planning assistance to students and families as part of the comprehensive assessment and IPE development process.

In addition, MDRS jointly funds 16 transition specialists in ten school districts. These specialists attend meetings related to the student's individualized education program (IEP), identify students receiving section 504 services, counsel students, advise teachers and parents regarding available VR services and coordinate classroom and vocational preparation activities. The transition specialists also facilitate the referral of youths with disabilities for VR services by gathering documentation regarding the student's disability and other information pertaining to the VR process.

During the period beginning in FY 2004 and ending in FY 2009, the employment rate for transition-age youths increased, but, the percentage of transition-age youths served of all individuals served by MDRS declined over the same period. The employment rate for transition-

age youths declined from FY 2004 through FY 2008. However, MDRS experienced a reversal in this performance trend in FY 2009, when it assisted 64.2 percent of transition-age youths who exited the VR program that year after receiving services to achieve employment, compared to 54.81 percent in FY 2008.

In FY 2006, MDRS discontinued its financial support for community-based work experiences for transition-age youths in school and for transportation services from the schools to community-based work sites. The number of referrals from schools decreased at that time by 7.8 percent, but referrals from schools as a percentage of all referrals of transition-age youths increased steadily since that time. MDRS management indicated that to address the need to improve transition services throughout the state, the agency dedicated 20 VR counselors to the provision of these services in FY 2006. This number grew to 28 by FY 2010 - approximately two for each of the ten OVR districts. During the review, the MDRS transition counselors indicated that, until recently, the provision of transition services was focused on students with Specific Learning Disabilities and Emotional Disabilities. Students with other disabilities and those who would be attending postsecondary institutions were asked to 1) wait to apply until shortly before graduation from high school and/or 2) were referred directly to a general counselor rather than to a transition counselor. They further stated that they are now encouraged to provide transition services to students receiving assistance under Section 504 of the Act and other students with disabilities.

MDRS and the Mississippi Department of Education collaborated to improve school and VR staff capacity to serve transition youths through the conduct of the Mississippi Youth Transition Initiative (MYTI), a demonstration program funded by the Social Security Administration from FY 2004 through FY 2009. The program was designed as a school-based early intervention and sustained instructional effort to encourage youths with disabilities, along with their families, to seek employment and gain self-sufficiency. The instructional program was offered to school districts for students with disabilities ages 10 through 25 and guided students through the discovery of abilities, talents and interests and the exploration of related careers, the local labor market and other information needed to facilitate informed choice of a vocational goal. Since the conclusion of the project, MDE has contracted for ongoing instruction and support for school district and MDRS staff to teach this curriculum.

MDRS created a career exploration curriculum taught by the transition counselors in the school setting to VR eligible students. MDRS makes this service available to every school district in the state and at the time of the review it operated in 179 of 280 school districts. The curriculum covers pre-employment skills; labor market information; identification of skills, abilities and interests, career exploration through study and experiential methods and informed choice. The delivery method permits the development of a counseling relationship with eligible transition-age youths in the familiar classroom setting to facilitate transition to post-school services, provides opportunities to become familiar with the VR program exposure to potentially eligible students and offers opportunities to explore potential vocational goals through school sponsored work experiences.

OVRB and Orientation Centers

OVRB employs a staff of VR counselors dedicated to the provision of VR and SE services to individuals who are blind and visually impaired. In addition, OVRB employs a staff of itinerant rehabilitation teachers to provide Braille instruction, orientation and mobility training and other services to individuals in their homes, communities and the workplace. In FY 2008, 11.3 percent of all individuals served by MDRS were blind and visually impaired compared to a combined agency national average of 6.1 percent. Of all the blind and visually impaired individuals who received services and whose cases were closed during that same year, 80.5 percent achieved employment.

MDRS operates two separate training centers for individuals who are blind and visually impaired that provide different techniques of instruction. The Addie McBryde Rehabilitation Center for the Blind, in Jackson, offers traditional instruction that assists students to manage with their remaining sight through the use of magnifiers, ranging from hand-held devices to computer image magnification software and closed-circuit television systems for printed image enlargement. The REACH Center, in Tupelo, offers structured Discovery instruction through which individuals learn to manage without any use of sight by wearing sleep shades during their training programs. Although using different methods of instruction, both centers provide a similar array of services, including assistive technology evaluations, Braille instruction, computer skills training, orientation and mobility training, diabetic education, low vision evaluations, deaf-blind services, techniques of daily living and vocational evaluation.

The Addie McBryde Center employed 23 full-time staff who served a total of 123 individuals in FY 2009. That same year, The REACH center employed 15 full-time staff who served 45 individuals. During FY 2009, MDRS expended a Total of \$ 1,323,703.73 to operate both centers.

Business Development Bureau

MDRS has established a Business Development Bureau managed by a director who oversees two regional supervisors in the northern and southern areas of the state. The regional supervisors administer five districts, each staffed by an employment coordinator. The bureau develops employment opportunities for adults and transition-age youths and staff are active in state wide and local business advocacy groups, such as the Chamber of Commerce. The Bureau staff use these contacts to educate the business community about the value of hiring individuals with disabilities and to generate potential employment leads for VR counselors. The employment coordinators work with the counselors by providing labor market information, resume development and pre-employment training, including interviewing and job search skills. MDRS assesses the performance of the Bureau through monthly, quarterly and annual reporting on a variety of indicators, including the number of individuals screened by Bureau staff, the number of individuals determined to be job-ready, the number of new businesses identified and the number of job leads developed by staff.

AbilityWorks Inc.

MDRS operates a non-profit organization known as AbilityWorks, Inc., a network of 17 CARF-certified community rehabilitation programs (CRPs) located throughout the state. VR counselors

use these CRPs as their primary resource for the conduct of comprehensive vocational evaluations. During the review, MDRS reported that approximately 50 percent of the individuals who receive services from AbilityWorks were referred for this service only. During the evaluations, individuals participate in production activities designed to determine their interests, skills and abilities, as well as to establish the individuals' initial percentage of productivity and the improvement necessary to achieve competitive production levels. While participating in these production activities, individuals are paid a piece-rate based on the rate of pay in the local community for similar work.

Individuals may receive further job-readiness training, job development and placement services through the AbilityWorks program. Once program staff determines that the individuals are performing at a productivity level required for community-based employment, the individuals enter the Linking Innovative Networks of Community Services (LINCS) program. In this phase of service delivery, individuals are provided a range of work opportunities in the community that are typically arranged by the employment coordinators or AbilityWorks staff. MDRS pays individuals participating in these community based work opportunities at rates at least equal to minimum wage.

When providing job development services through AbilityWorks, a team comprised of the VR counselor, AbilityWorks staff and the employment coordinator search for competitive employment opportunities in the community. To help support choice and successful outcomes, individuals are considered partners in the search and participate in job development activities. During this transitional phase, individuals receive additional services and skills training that will enable them to obtain and maintain employment. Finally, team members are available to assist the individuals to adjust to their work environment and responsibilities and to provide follow-along services as necessary.

MDRS reported that typically approximately 50 percent of the individuals referred for AbilityWorks services are transition-age youths and that 85 percent of all individuals who receive these services are diagnosed with cognitive disabilities, mental health impairments and traumatic brain injury or with substance abuse disorders. The majority of individuals in the AbilityWorks program receive services for no more than 12 weeks, though they may receive services for up to one year. MDRS reported that historically approximately 70 percent of the individuals who receive the full range of services offered through AbilityWorks achieve competitive employment in the community.

Supported Employment

MDRS employs designated counselors and vocational training instructors (VTI) to provide SE services in each of the ten districts. The SE counselors and VTIs assist individuals to attain the skills required to obtain and maintain employment. MDRS reported that a majority of the individuals who receive SE services are referred by the Department of Mental Health (DMH), which oversees the care and case management for individuals with intellectual and mental health disabilities and provides the funding for long-term supports. If appropriate, individuals receiving SE services may also be referred to the AbilityWorks program to participate in vocational evaluations, CRP-based production activities and temporary community-based work experiences, in which case the SE counselors and VTIs become part of the AbilityWorks team that assists the

individuals to obtain competitive employment in the community. During the job development phase, the SE counselors select from among vendors specified in approximately 200 agreements for the provision of extended SE services with other state agencies, CRPs and individuals to identify a job coach.

Personnel

The MDRS 110 program employs a total of 490 staff. Table 1.1 below presents the breakdown of the number of staff and vacancies for each position during FY 2010. At the time of the review, 12 VR counselor positions were vacant. MDRS projected that it would require 161 counselors and a 25 percent increase in the number of counselor assistants to meet its staffing needs over the next five years.

Table 1.1
MDRS Personnel Job Categories and Number of Staff in Each Category

Position	Number of Staff	Vacancies
Rehabilitation counselor	142	12
Counselor assistants	81	0
Sign language specialists	8	2
Psychometricians	6	1
Production Managers	18	0
Book keepers	12	0
Evaluators	36	4
Employment Coordinators	10	10
Instructors for the Centers for the Blind (Including Mobility Instructors)	17	3
Direct line supervisors in the field	37	0
Field office administrative staff	35	0
Central office management staff	19	0
Central Office administrative staff	9	0
Total	490	32

Through its comprehensive system of personnel development, MDRS requires that qualified VR counselors employed by the agency possess the academic credentials accepted for certification by the Committee for Rehabilitation Counselor Certification. At the time of the review, 28 counselors were enrolled in a Master's program in rehabilitation counseling, 29 new counselors were pending enrollment in a Master's program, and 73 met the CSPD standard.

To ensure effective succession planning, MDRS has developed the Leadership, Education, and Development for Rehabilitation Services (LEADRS) program. The LEADRS program provides participants with relevant work experiences needed to transition and to succeed in leadership positions. Participants are selected through an application process but need not be nominated by a supervisor, creating a program that is open to all qualified staff. Participation in this program is

voluntary and does not guarantee a promotion, raise or career advancement but provides approximately 70 hours of formal training and eight hours of service work on a special project during a 12 month period including preparation of a report, delivery of two team presentations and receipt of professional executive coaching from an independent consultant.

Data and Case Management

MDRS implemented its current case management system in 1999. Adapted from a commercially-available system, the MDRS system enables the agency to manage case flow, collect and store all federally-required data, prepare authorizations and make payments for services, develop budgets and generate summary reports. MDRS also uses the system to produce the programmatic and fiscal reports for submission to RSA, including the RSA-113, RSA-911 and the RSA-2. Through the system, MDRS management and staff obtain regular reports at office, district and agency levels that are used to manage case activity and analyze the demand for services and available resources.

Quality Assurance

MDRS uses a combination of case file reviews, customer satisfaction surveys, regular analysis of data and reports generated by the case management system, single audit results and field reports of potential problem areas to guide ongoing quality assurance efforts within MDRS.

MDRS conducts case file reviews to assess the quality of services provided, as well as compliance with federal requirements. District managers review five to seven cases per counselor each quarter and state office administrators review a portion of these cases to ensure consistency in the process across all districts. The results of the case record reviews are used to formulate training plans and work with program staff to develop specific training agendas based on areas identified for improvement.

MDRS assesses the quality of vendor services through the case review process and also through the internal audit of AbilityWorks contracts, payroll, and other fiscal functions. In addition, MDRS monitors each of the 17 AbilityWorks facilities every 18 months and an external audit of the program is conducted annually.

Planning

MDRS engages in an ongoing planning process that includes budget forecasts, succession planning, a state plan, and a strategic plan to guide agency administration. Each December, MDRS staff reviews a compilation of agency performance and fiscal data, achievements, concerns and recommendations for all programs. This information is considered in the development of the State Plan. Planning also incorporates information from the comprehensive statewide needs assessment, staff questionnaires and committee work, SRC discussions and recommendations. Such information is also used to determine the agency's resources, assets, needs, goals and short-term decisions. A schedule of planning activities is used to coordinate the

collection and use of planning information from public hearings, SRC discussions, staff comments and other sources.

Through the agency's State Plan, MDRS identifies specific goals and strategies to guide the operation of the VR and SE programs. Each district reports progress on the State Plan goals on a quarterly basis and this information is used to evaluate the agency's performance overall.

The MDRS strategic plan provides a complete picture of agency programs and contains a set of broader goals used in the management and direction of the agency. Strategic planning is conducted in conjunction with five-year budget projections completed annually. At the time of the review, MDRS had developed plans to address potential state budget cuts of five and ten percent.

VR and SE Program Performance

The following table provides data on the performance of the VR and SE programs administered by MDRS in key areas from FY 2004 through FY 2008.

Table 1.2
Program Highlights for MDRS VR and SE Programs for FY 2004 through FY 2008

Program Highlights	2004	2005	2006	2007	2008
Total funds expended on VR and SE	\$53,920,578	\$51,998,506	\$60,221,542	\$69,639,023	\$64,062,767
Individuals whose cases were closed with employment outcomes	4,455	4,457	4,516	4,544	4,553
Individuals whose cases were closed without employment outcomes	1,917	1,624	1,643	1,849	1,918
Total number of individuals whose cases were closed after receiving services	6,372	6,081	6,159	6,393	6,471
Employment rate	69.92%	73.29%	73.32%	71.08%	70.36%
Individuals whose cases were closed with supported employment outcomes	117	119	77	128	123
New applicants per million state population	3,214	2,961	3,582	3,238	2,795
Average cost per employment outcome	\$3,721	\$3,915	\$3,502	\$3,892	\$3,868
Average cost per unsuccessful employment outcome	\$2,313	\$3,017	\$3,477	\$3,833	\$3,825

Program Highlights	2004	2005	2006	2007	2008
Average hourly earnings for competitive employment outcomes	\$9.65	\$9.84	\$10.51	\$11.22	\$11.72
Average state hourly earnings	\$13.54	\$14.14	\$14.89	\$15.37	\$15.96
Percent average hourly earnings for competitive employment outcomes to state average hourly earnings	71%	70%	71%	73%	73%
Average hours worked per week for competitive employment outcomes	36.1	36.1	36.7	36.7	36.2
Percent of transition age served to total served	28.11%	27.71%	23.12%	21.20%	20.55%
Employment rate for transition population served	58.85%	61.01%	61.24%	51.37%	54.81%
Average time between application and closure (in months) for individuals with competitive employment outcomes	19.3	18.3	17.1	17.5	19.1
Performance on Standard 1	MET	MET	MET	MET	MET
Performance on Standard 2	MET	MET	MET	MET	MET

Areas of Consistently High or Improved Performance

1. Standards and Indicators

During FY2009, MDRS achieved the highest level of performance of all VR agencies on Indicator 1.2, with a 77.28 percent rehabilitation rate, and Indicator 1.5, with a .722 earnings ratio. Between FY 2004 and FY 2008, MDRS passed all standards and indicators, significantly exceeding the required minimum performance levels for Indicators 1.2, 1.3, 1.4, and 1.5 (See table 1.3 below). During this same period, MDRS performed consistently and significantly higher than the national average on Indicators 1.2 and 1.5.

Table 1.3
Mississippi Standards and Indicators between FY 2004 and FY 2008

Indicators	2004	2005	2006	2007	2008
<u>Indicator 1.2</u>					
Percent with employment outcomes after services					
RSA Minimum Performance Level: 55.8%	69.92%	73.29%	73.32%	71.08%	70.36%
<i>Passed/Failed</i>	P	P	P	P	P

Indicators	2004	2005	2006	2007	2008
Primary Indicators (1.3, 1.4, & 1.5)					
Indicator 1.3					
Percent of all employment outcomes that were competitively employed					
RSA Minimum Performance Level: 72.6%	97.87%	98.50%	98.83%	99.14%	99.25%
<i>Passed/Failed</i>	P	P	P	P	P
Indicator 1.4					
Percent of individuals with competitive employment outcomes who had a significant disability					
RSA Minimum Performance Level: 62.4%	98.97%	99.75%	93.77%	84.99%	95.71%
<i>Passed/Failed</i>	P	P	P	P	P
Indicator 1.5					
Ratio of average hourly VR wage to average state hourly wage					
RSA Minimum Performance Level: .52	0.71	0.70	0.71	0.73	0.73
<i>Passed/Failed</i>	P	P	P	P	P

2. Self-Employment

MDRS assisted a greater percentage of individuals to achieve self-employment in FY 2008 than any other combined agency, assisting 602 individuals to achieve self-employment outcomes, 13.2 percent of all outcomes achieved by individuals exiting the program after receiving services that year. This compared to an average of only 2.5 percent for all combined agencies in FY 2008. MDRS reported that this high level of self-employment was due to:

- the lack of traditional employment options in rural areas of Mississippi;
- transportation challenges that prevent individuals from commuting to employment; and
- the Mississippi economy where occupations such as agriculture, logging, construction and other employment opportunities associated with self-employment and independent contracting are common.

The percentage of individuals who achieved self-employment remained high even when the number of individuals who were self-employed at application was not taken into consideration. In FY 2008, excluding the 152 individuals who were self-employed at application, 450 individuals achieved self-employment after receiving VR services, or 75 percent of the total self-employment outcomes and 9.8 percent of the agency's total employment outcomes.

VR/SE Program Performance Observations and Recommendations

As a result of its review activities, RSA identified the performance observations set forth below and recommended that MDRS take specific steps to improve the agency's performance associated with each of the observations.

1. Provision of Diagnostic and Treatment Services

Observation: MDRS devotes significant program resources to the provision of diagnostic and treatment services in comparison to all other combined agencies. In 2008, 31 percent of total MDRS expenditures and 66 percent of purchased services were for diagnostic and treatment services.

- As shown in Table 1.4 below, the percentage of individuals receiving diagnostic and treatment services from MDRS increased from 63.3 percent in FY 2004 to 76.1 percent in FY 2008, compared to 41.4 percent of all individuals served by combined agencies in FY 2008.

**Table 1.4
MDRS Individuals Receiving Diagnostic and Treatment Services from
FY 2004 through FY 2008**

Service	2004	2005	2006	2007	2008	Change from 2004 to 2008
MDRS						
Diagnosis and treatment of impairments	4,036	3,953	4,428	4,899	4,925	22.0%
Percent	63.3%	65.0%	71.9%	76.6%	76.1%	12.8%
National Combined Agencies						
Diagnosis and treatment of impairments	60,103	60,736	65,606	67,320	68,768	14.4%
Percent	36.7%	36.3%	40.1%	41.7%	41.4%	4.7%

- As shown in Table 1.5 the percentage of purchased services expended on diagnostic and treatment services by MDRS increased from 61.7 percent in FY 2004 to 66.5 percent in FY 2008, compared to 5.7 percent for all individuals served by combined agencies in FY 2008.

Table 1.5
MDRS Expenditure on Diagnostic and Treatment Services from FY 2004 through FY 2008

Service Expenditure	2004	2005	2006	2007	2008	Change from 2004 to 2008
MDRS						
Total	\$26,971,475	\$26,846,675	\$34,583,153	\$36,251,400	\$29,834,953	10.6%
Diagnosis and treatment of physical and mental impairments	\$16,639,100	\$18,070,772	\$26,793,013	\$25,597,535	\$19,849,407	19.3%
Percent	61.7%	67.3%	77.5%	70.6%	66.5%	4.8%
Combined Agencies Mean						
Total	\$28,882,805	\$28,490,505	\$28,992,949	\$30,007,843	\$30,639,754	6.1%
Diagnosis and treatment of physical and mental impairments	\$3,439,820	\$3,034,787	\$3,375,718	\$3,159,690	\$3,257,260	-5.3%
Percent	11.9%	10.7%	11.6%	10.5%	10.6%	-1.3%
Combined Agencies Median						
Total	\$19,707,852	\$20,969,798	\$23,183,360	\$22,228,156	\$22,563,904	14.5%
Diagnosis and treatment of physical and mental impairments	\$1,605,851	\$1,642,952	\$1,724,903	\$1,422,392	\$1,286,282	-19.9%
Percent	8.1%	7.8%	7.4%	6.4%	5.7%	-2.4%

- As shown in Table 1.6, 29.9 percent of MDRS consumers served received two services, and 37.1 percent received three services.

Table 1.6
Total Numbers and Percent of Services Received for All Consumers Receiving Services from FY 2004 through FY 2008

Number of Services	2004		2005		2006		2007		2008	
	N	Percent								
None	138	2.2	87	1.4	28	0.5	15	0.2	31	0.5
1	1,264	19.8	684	11.3	504	8.2	364	5.7	241	3.7
2	2,489	39.1	2,086	34.3	1,855	30.1	1,868	29.2	1,934	29.9
3	1,533	24.1	1,845	30.3	2,011	32.7	2,299	36.0	2,402	37.1

Number of Services	2004		2005		2006		2007		2008	
	N	Percent								
4	541	8.5	721	11.9	957	15.5	1,024	16.0	1,074	16.6
5	230	3.6	357	5.9	480	7.8	431	6.7	436	6.7
6	91	1.4	164	2.7	174	2.8	224	3.5	186	2.9
7	48	0.8	84	1.4	70	1.1	94	1.5	82	1.3
8	25	0.4	30	0.5	45	0.7	37	0.6	52	0.8
9	7	0.1	18	0.3	25	0.4	18	0.3	16	0.3
10+	6	0.1	5	0.1	10	0.2	19	0.3	17	0.3
Total	6,372	100.0	6,081	100.0	6,159	100.0	6,393	100.0	6,471	100.0

- As shown in Table 1.7, of the 2,489 consumers receiving two services in 2008, 1,483 or 76.6 percent received both Counseling and Guidance, and Diagnostic and Treatment services.
- Table 1.4 shows that in FY 2008, 4,925 individuals received Diagnostic and Treatment services. Table 1.7 indicates that 1,483 individuals received Counseling and Guidance, and Diagnostic and Treatment services, and that 3,442 individuals received more than two services including Diagnostic and Treatment services.

Table 1.7
Number Consumers Receiving Counseling and Guidance, and Diagnostic and Treatment services only

Number of Medical Services	2004		2005		2006		2007		2008	
	N	Percent								
Neither	573	23.0	332	15.9	148	8.0	41	2.2	46	2.4
1	1,662	66.8	1,120	53.7	788	42.5	659	35.3	405	20.9
2	254	10.2	634	30.4	919	49.5	1,168	62.5	1,483	76.7
Total for two services only	2,489	100.0	2,086	100.0	1,855	100.0	1,868	100.0	1,934	100.0
All consumers served	6,372	4.0	6,081	10.4	6,159	14.9	6,393	18.3	6,471	22.9

- Individuals with disabilities in Mississippi often lack access to affordable insurance and seek medically-related services from MDRS.
- Mississippi does not have a well-established adult medical services program to address this gap in insurance coverage.

- The Mississippi Legislature and constituents have traditionally expected MDRS to provide this service as it is legal under the act and reflects the needs of individuals with disabilities seeking to obtain or maintain employment in Mississippi.
- Mississippi ranks 6th in the US in the number of uninsured individuals with an average of 19 percent of the population uninsured.
- MDRS indicated that it is tracking its expenditures related to the provision of diagnostic and treatment services, to determine what options will become available to individuals with the passage of health care reforms and the impact on agency service delivery.

Recommendation 1: RSA recommends that MDRS:

- 1.1 continue to track its expenditures for diagnostic and treatment services to determine the impact of health care reform on the delivery of and the future need for diagnostic and treatment services; and
- 1.2 use the information to design future service delivery and purchase of service needs based on the analysis and CSNA study.

2. Under Reporting of Supported Employment Outcomes

Observation: When determining the type of employment outcome an individual has achieved, MDRS considers the individual to have attained a supported employment outcome if he or she receives long-term supports paid through Medicaid waiver programs or other public resources and excludes from consideration those persons who receive support from family members or other employees while on the job (i.e., natural supports). As a result, the agency’s reporting practices do not reflect the full scope of the supported employment services provided and the number of individuals it assists to achieve supported employment outcomes.

- The definition of “extended services,” found at 34 CFR 361.5(b) (20), includes those services provided by employers or other appropriate resources that enable the individual to obtain and maintain a supported employment outcome. In addition, Section 361.46(b) requires that the extended services necessary for an individual to maintain supported employment be specified on the IPE and indicates that among the extended services to be specified are those provided through natural supports. Therefore, the instructions for reporting supported employment outcomes on the RSA-911 make no distinction between those outcomes in which the individual receives job coaching and other long-term support services through Medicaid waiver programs and other paid resources and those assisted by the employer and family members.
- As reported by MDRS, of the 4,455 individuals who achieved employment in FY 2004, 117 achieved SE outcomes, representing 2.6 percent of all outcomes achieved. In FY 2008, the agency reported that 123 of the 4,553 outcomes achieved were SE outcomes, or 2.7 percent. In FY 2008, of the total individuals who achieved employment with the assistance of all combined agencies, 8.6 percent achieved SE outcomes.
- During the course of the review, MDRS management and staff indicated that the agency does not include in its count of individuals who achieve SE outcomes those who receive

extended services in the form of natural supports to maintain their employment. However, they also indicated that the use of natural supports to enable individuals to maintain SE is common due to a lack of providers in rural areas of the state and inadequate funding through Medicaid waiver programs and other sources to pay for extended services.

- Consequently, RSA believes that MDRS has under-reported the number of individuals it assists to achieve SE outcomes. The agency's current reporting practice affects its ability to collect accurate data necessary to manage SE program resources and to obtain a complete understanding of the impact the use of these resources has on the ability of individuals in Mississippi to achieve supported employment.

Recommendation 2: RSA recommends that MDRS:

- 2.1 adopt supported employment definitions and coding standards that accurately reflect the use of both paid and natural supports for individuals receiving long term supports in integrated employment settings; and
- 2.2 provide training to staff regarding these new reporting practices related to the achievement of SE outcomes.

3. Roles and Responsibilities of the SRC

Observation: Members of the Mississippi SRC possess a minimal understanding of their roles and responsibilities as specified in the Rehabilitation Act and VR program regulations. As a result, the SRC has exercised limited involvement in the performance of its mandated functions, including the evaluation of the services provided and outcomes achieved through the VR program, the development and approval of the goals and priorities identified in the State Plan, the joint conduct of the comprehensive statewide needs assessment and the evaluation of consumer satisfaction.

- Until May, 2010, all members of the SRC were serving beyond the terms allowed by the Rehabilitation Act and VR program regulations. At that time, the Governor appointed new members to the SRC in compliance with federal requirements.
- There is little SRC involvement in the development of the State Plan goals and objectives. MDRS invites SRC members to participate in the development of the State Plan, but only one member typically responds. In addition, SRC members are asked specifically to individually contribute their recommendations for inclusion in Attachment 4.2(c) of the State Plan; however, only one member responds to this solicitation. Furthermore, only one SRC member was involved in conducting the agency's most recent comprehensive statewide needs assessment.
- MDRS staff liaisons to the SRC indicated that SRC committee meetings are poorly attended and that members focus their efforts on attendance at quarterly council meetings.
- At the time of the review, the SRC had been developing its by-laws for at least two years. RSA reviewed the current draft of the bylaws and found them to be only partially

complete and in need of several corrections and revisions for clarity and for consistency with federal requirements.

Recommendation 3: RSA recommends that MDRS and the MS SRC:

- 3.1 require the Council’s voting and ex-officio members to complete all modules of the SRC on-line training;
- 3.2 apply the knowledge gained from training to an examination of the council’s current functioning and re-define its practices as necessary to ensure that all members fulfill their roles and responsibilities as mandated under the Rehabilitation Act and program regulations;
- 3.3 complete the development of the Council’s by-laws in a manner consistent with federal requirements; and
- 3.4 clearly describe in all future SRC annual reports to RSA the recommendations made by the Council related to the operation of the VR program and the activities engaged in by Council members during each fiscal year.

Technical Assistance and Continuing Education

This section of the chapter describes the technical assistance (TA) and continuing education provided by RSA to MDRS during the course of the review and the continuing education needs of the agency identified by its personnel and stakeholders. The TA requested by the agency to enable it to carry out the recommendations set forth above is included in Appendix A of this report titled “Agency Response.”

Technical Assistance Provided

During the review of the VR and SE programs, RSA provided technical assistance to MDRS regarding:

- the roles and responsibilities of the SRC; and
- services to veterans with disabilities.

Continuing Education

During the course of the review, MDRS and stakeholder representatives, including the SRC, requested that agency personnel receive continuing education in the areas of:

- the provision of services to individuals with traumatic brain injuries and Mental Health diagnoses; and
- the provision of assistive technology to individuals who are deaf and hard of hearing.

CHAPTER 2: MDRS INDEPENDENT LIVING PROGRAM

IL Program Systems

The following sections of this chapter describe the manner in which MDRS administers and operates the IL program, authorized pursuant to Title VII, Part B, of the *Rehabilitation Act*, through a variety of functions or systems, including service delivery, personnel, case and data management, quality assurance and planning.

Program Administration and Service Delivery

MDRS provides IL services under Title VII, Part B, directly to individuals who are blind and visually impaired and to those with all other disabling conditions. Services are delivered through the agency's Office of Special Disability Programs (OSDP) and the Office of Vocational Rehabilitation for the Blind (OVRB). In FY 2009, MDRS used \$296,212 in federal funds under Title VII, Part B, along with \$3,761,409 in funding from other sources, to provide direct IL services, including information and referral services, mobility training, rehabilitation technology services, environmental accessibility, and case management services. Additional services provided included home and vehicle modifications and the provision of durable medical equipment.

Generally, IL program consumers receive services and training in their home communities. However, as funding permits, MDRS offers two techniques of instruction to OIB consumers at the Addie McBryde Rehabilitation Center for the Blind in Jackson and the Reach Center for the Blind in Tupelo. The Addie McBryde Center offers traditional instruction that helps consumers manage with the sight they have ranging from hand-held devices, including the use of magnifiers, to computer image magnification software and closed-circuit television systems for printed image enlargement. The REACH Center provides training using the structured discovery method through which consumers learn to manage without any use of sight by wearing sleep shades. Both centers provide intensive evaluation, training and adjustment services for individuals who are blind or visually impaired.

With the use of state funding OSDP provides additional IL services through the following programs:

- the State Attendant Care Program;
- the Home and Community Based Waiver Programs; and
- the Spinal Cord and Head Injury Trust Fund Program funded through fines collected for moving violations on state highways.

Living Independently for Everyone, (LIFE), the only CIL in Mississippi, uses funds received under Title VII, Part C, to provide the four core services as well as other IL services. Additionally, the Mississippi Band of Choctaw Indians' (MBCI) Office for Independent Living Services serves Native Americans under a five-year discretionary grant from RSA.

The Mississippi SILC is an autonomous Council whose members are appointed by the Governor. The SILC uses one support staff that is located in the CIL. This support staff is hired and supervised by the SILC. He only occupies office space provided by the CIL. The staff reports directly to the SILC chairperson. As part of his job duties, the staff provides a quarterly update regarding tasks assigned and completed for the previous quarter to all SILC members.

MDRS provides in-kind resources to the SILC in the form of meeting rooms, printing, copying, braille, recording, transcribing, use of office equipment, use of telephones, interpreter services, and technical assistance.

Personnel

OSDP has two regional managers for both the northern and southern areas of the state that supervise ten district managers who oversee 71 IL counselors. In addition, OVRB employs a program manager, one administrative assistant, and eight counselors in the Independent Living for the Blind (ILB) program to provide direct IL services to consumers who are blind and visually impaired throughout the state. Two of the ILB counselors also are certified Orientation and Mobility instructors, with one providing these services in the northern and the other the southern regions of the state.

Data Management

MDRS implemented its current case management system in 1999. Adapted from a commercially-available system, the MDRS system enables the agency to manage case flow, collect and store all federally-required data, prepare authorizations and make payments for services, develop budgets and generate summary reports. MDRS also uses the system to produce the programmatic and fiscal reports for submission to RSA, including the RSA-704 and the SF-269. Through the system, MDRS management and staff obtain regular reports at office, district and agency levels that are used to manage case activity and analyze the demand for services and available resources within the IL program.

Quality Assurance

The agency's IL counselors receive ongoing training regarding the history of the IL movement and philosophy, eligibility criteria for IL services and consumer choice.

In addition, MDRS evaluates the provision of IL services through analysis of information and data contained in written reports prepared on a quarterly basis. The reports focus on the progress and issues related to the achievement of the goals and objectives outlined in the SPIL.

MDRS, the SILC, LIFE and MBCI have developed an IL program evaluation plan that is used to evaluate, monitor and review implementation of the SPIL. The SILC Program Evaluation Subcommittee is charged with implementing this plan and is composed of SILC members that are not employed by MDRS, MBCI or LIFE. The Evaluation Subcommittee reviews SPIL

objectives quarterly and conducts actual on-site visits to MDRS and LIFE field offices. The purpose of these on-site visits is to obtain firsthand information from consumers to determine if SPIL objectives are being met in a timely and appropriate manner.

Planning

The SPIL is developed jointly by the SILC and MDRS. The SILC and MDRS gather input from public hearings and information that the SILC Program Evaluation Subcommittee obtained to identify SPIL goals and objectives. In addition, MDRS, LIFE and MBCI conduct consumer satisfaction surveys that are used to identify program improvement needs by showing any and all negative evaluations received, the action taken, and the results of such action.

IL Program Performance

The following table provides data on the MDRS IL program performance in key areas from FY 2006 through FY 2009.

Table 2.1
Mississippi IL Program Highlights for FY 2006 through FY 2009

Funding, Performance, and FTEs	2006	2007	2008	2009
Title VII, chapter 1, Part B funds	\$301,477	\$301,477	\$296,212	\$312,984
Total resources (including part B funds)	\$24,099,843	\$31,358,319	\$40,517,621	\$52,169,070
Total served	2,442	2,953	3,296	4,145
Total consumer service records closed	551	588	609	817
Cases closed, completed all goals	270	309	295	260
Total goals set	5,057	4,402	3,973	5,319
Total goals met	3,169	4,135	2,527	3,385
Total individuals accessing previously unavailable transportation, health care, and assistive technology	1,202	1,483	1,737	2,362
Total FTEs	85.00	89.00	141.00	140.00
Total FTEs with disabilities	6.00	6.00	9.00	16.00

IL Program Compliance Findings and Corrective Actions

RSA identified the following compliance finding and corrective action that MDRS is required to undertake. MDRS must develop a corrective action plan for RSA's review and approval that includes specific steps the agency will take to complete the corrective action, the timetable for completing those steps, and the methods the agency will use to evaluate whether the compliance finding has been resolved. RSA anticipates that the corrective action plan can be developed

within 45 days from the issuance of this report and RSA is available to provide technical assistance to assist MDRS to develop the plan and undertake the corrective actions. RSA reserves the right to take further enforcement action regarding the compliance findings identified in this section of the report.

1. MS SILC Term Limits

Legal Requirements: Section 705(b)(6)(A) and (B) and 34 CFR 364.21(f)(3) - Each member of the Council shall serve for a term of three years; and Section 705(b)(6)(B) – No member of the council may serve more than two consecutive terms.

Finding 1: The MS SILC is not in compliance with the requirements in section 705(b)(6)(A) and (B) because its bylaws in Article 3 section 1(g) are not consistent with the legal requirements regarding 121 SILC representation and term limits. The 121 project director was recently re-appointed by the Governor to the SILC and has served as the 121 representative for more than two consecutive terms.

Corrective Action 1: MS must take necessary steps to comply with federal requirements for SILC term limits for all members, including the 121 representative.

Technical Assistance

The technical assistance requested by MDRS to enable it to carry out the corrective actions set forth above is included in Appendix A of this report titled “Agency Response.”

CHAPTER 3: INDEPENDENT LIVING SERVICES PROGRAM FOR OLDER INDIVIDUALS WHO ARE BLIND

Program Systems

The following sections of this chapter describe the manner in which MDRS administers and operates the independent living services program for older individuals who are blind (OIB), authorized pursuant to Title VII, Chapter 2, of the *Rehabilitation Act*, through a variety of functions or systems, including service delivery, personnel, case and data management, quality assurance and planning.

Program Administration and Service Delivery

The MDRS Office of Vocational Rehabilitation for the Blind, (OVRB) administers the OIB program in Mississippi. The types of services provided include peer group counseling, assistive technology evaluation, adjustment to blindness services, orientation and mobility training, personal adjustment instruction and training in techniques for daily living.

Generally, OIB program consumers receive services and training in their home communities. However, as funding permits, MDRS offers two techniques of instruction to OIB consumers at the Addie McBryde Rehabilitation Center for the Blind in Jackson and the Reach Center for the Blind in Tupelo. The Addie McBryde Center offers traditional instruction that helps consumers manage with the sight they have, including use of magnifiers, ranging from hand-held devices to computer image magnification software and closed-circuit television systems for printed image enlargement. The REACH Center provides training using the structured discovery method through which consumers learn to manage without any use of sight by wearing sleep shades. Both centers provide intensive evaluation, training and adjustment services for individuals who are blind or visually impaired.

Personnel

OVRB employs a program manager, one administrative assistant, and eight Independent Living for the Blind (ILB) counselors to provide direct IL services to Older Blind consumers throughout the state. Two of the ILB counselors are certified Orientation and Mobility instructors, with one providing these services in the northern and the other the southern regions of the state.

Data Management

MDRS implemented its current case management system in 1999. Adapted from a commercially-available system, the MDRS system enables the agency to manage case flow, collect and store all federally-required data, prepare authorizations and make payments for services, develop budgets and generate summary reports. MDRS also uses the system to produce the programmatic and fiscal reports for submission to RSA, including the RSA-7OB and the SF-269. Through the system, MDRS management and staff obtain regular reports at office, district

and agency levels that are used to manage case activity and analyze the demand for services and available resources within the OIB program.

Quality Assurance

The OIB program manager conducts quality assurance on a monthly basis by reviewing service records randomly selected from the case management system. The manager then provides feedback to the ILB counselors regarding areas of service provision in need of improvement. Additionally, MDRS has an agency-wide quality assurance office that provides another level of case record and service provision review across all programs.

The OIB program manager also provides a monthly outreach activities report to the OVRB director.

Planning

A representative from the OIB Program attends all quarterly SILC meetings and trainings designed to improve and expand services for Mississippians with disabilities. Staff attend annual State Plan hearings to answer questions and provide information regarding the OIB program. OVRB/IL is part of the statewide facilities committee that meets quarterly to discuss service provision throughout the state. Members of the committee are kept informed of consumer issues, funding, staff training and other activities of the OIB program. The information provided is used for strategic planning purposes and for program improvement.

OIB Program Performance

The following table provides data on MDRS OIB program performance in key areas from FY 2008 through FY 2009.

**Table 3.1
Mississippi OIB Program Highlights for FY 2008 and FY 2009**

Expenditures, Performance, and FTEs	2008	2009
Title VII, chapter 2 expenditures	\$288,038	\$302,317
Total expenditures (including chapter 2)	\$445,271	\$558,129
Total served older individuals who are blind	767	741
Total FTEs	104.0	104.0
Total FTEs with disabilities	0.0	0.0

Technical Assistance

Technical Assistance Provided

During the review of the OIB program, RSA provided technical assistance to MDRS regarding the leveraging of additional resources for service provision.

CHAPTER 4: FISCAL MANAGEMENT OF THE MDRS VOCATIONAL REHABILITATION, SUPPORTED EMPLOYMENT, INDEPENDENT LIVING AND INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND PROGRAMS

RSA reviewed MDRS’s fiscal management of the vocational rehabilitation (VR), Supported Employment (SE), Independent Living (IL) and Independent Living Services for Older Individuals Who are Blind (OIB) programs. During the review process, RSA provided technical assistance to the state agency to improve its fiscal management and identified areas for improvement. RSA reviewed the general effectiveness of the agency’s cost and financial controls, internal processes for the expenditure of funds, use of appropriate accounting practices and financial management systems.

Fiscal Management

SAAS - The Statewide Automated Accounting System is an automated, mainframe-based, centrally controlled, and agency discrete financial management system that includes both accounting and budgeting functions. The accounting system records transactions on a Generally Accepted Accounting Principles (GAAP) basis. The budget system maintains transactions on a modified cash basis. Records are maintained both on a budget year and on a fiscal year.

In addition, MDRS uses a web-based application that handles the complete procure-to-pay life cycle for state vendors and buyers.

MDRS Fiscal Performance

The data in the following tables are taken from fiscal and program reports submitted by the state agencies to RSA, and speak to the overall effectiveness of the agency’s fiscal management practices. Data related to the VR program matching requirements are taken from the fourth quarter of the respective fiscal year’s SF-269 report. The data pertaining to the VR program maintenance of effort requirements are derived from the final SF-269 report of the fiscal year (two years prior to the fiscal year to which they are compared). Fiscal data related to VR program administration, total expenditures, and administrative cost percentage are taken from the RSA-2. IL and OIB program fiscal data, including the sources and amount of funding, match and carryover, are extracted from the programs’ SF-269s, the RSA-704 and the RSA-70B reports.

**Table 4.1
VR and SE Fiscal Data for MDRS**

Mississippi (C)					
Fiscal Year	2004	2005	2006	2007	2008
Grant Amount	\$39,128,158	\$46,409,766	\$40,552,314	\$42,112,807	\$41,647,036
Federal Expenditures	\$39,128,158	\$46,409,766	\$40,552,314	\$42,112,807	\$41,647,036

Mississippi (C)					
Fiscal Year	2004	2005	2006	2007	2008
Required Match	\$10,589,959	\$12,560,712	\$10,975,404	\$11,397,748	\$11,271,688
Actual Match	\$10,717,335	\$10,911,873	\$10,975,404	\$11,397,748	\$11,271,688
Over (Under) Match**	\$127,376	-\$1,648,839	\$0	\$0	\$0
Carryover at 9/30 (year one)	\$5,673,041	\$14,821,971	\$10,457,488	\$6,103,974	\$8,378,103
Program Income	\$17,404,006	\$25,085,195	\$11,484,083	\$8,395,026	\$1,036,737
Maintenance of Effort (MOE)	\$10,717,335	\$10,315,191	\$10,717,335	\$10,911,873	\$10,975,404
Administrative Costs	\$7,780,788	\$7,149,340	\$7,414,422	\$8,961,911	\$9,592,086
*Total Expenditures	\$53,920,578	\$51,998,506	\$60,221,542	\$69,639,023	\$64,062,767
Percent Admin Costs to Total Expenditures	14.43%	13.75%	12.31%	12.87%	14.97%

*Includes Supported Employment Program Expenditures.

**FY 2005 Match Requirements Waived

Table 4.2
IL-B Fiscal Data for MDRS

Mississippi (C)					
Fiscal Year	2004	2005	2006	2007	2008
Grant Amount	\$293,902	\$304,522	\$301,477	\$301,477	\$296,212
Federal Expenditures	\$293,902	\$304,522	\$301,477	\$301,477	\$296,212
Required Match	\$32,656	\$33,836	\$33,497	\$33,497	\$32,912
Actual Match	\$32,656	\$33,836	\$33,497	\$33,497	\$32,912
Over (Under) Match	\$0	\$0	\$0	\$0	\$0

Table 4.3
OIB Fiscal Data for MDRS Independent Living—OIB Fiscal Table

Mississippi (C)					
Fiscal Year	2004	2005	2006	2007	2008
Grant Amount	\$284,924	\$305,237	\$294,601	\$294,533	\$288,038
Federal Expenditures	\$284,924	\$305,237	\$294,601	\$294,533	\$288,038
Required Match	\$31,658	\$33,915	\$32,733	\$32,726	\$32,004
Actual Match	\$31,658	\$33,915	\$32,733	\$32,726	\$32,004
Over (Under) Match	\$0	\$0	\$0	\$0	\$0

APPENDIX A: AGENCY RESPONSE

Responses to Observations, Recommendations, Compliance Findings and Corrective Actions

Chapter 1: Vocational Rehabilitation and Supported Employment Programs of the MS Department of Rehabilitation Services

1. Provisions of Diagnostic and Treatment of Services

Recommendation 1: RSA recommends that MDRS:

- 1.1 continue to track its expenditures for diagnostic and treatment services to determine the impact of health care reform on the delivery of and the future need for diagnostic and treatment services; and
- 1.2 use the information to design future service delivery and purchase of service needs based on the analysis and CSNA study.

MDRS Response: MDRS will take these recommendations under advisement for future planning of VR services.

Technical Assistance: MDRS does not request Technical Assistance at this time.

2. Under Reporting of Supported Employment Outcomes

Recommendation 2: RSA recommends that MDRS:

- 2.1 adopt supported employment definitions and coding standards that accurately reflect the use of both paid and natural supports for individuals receiving long term supports in integrated employment settings; and
- 2.2 provide training to staff regarding these new reporting practices related to the achievement of SE outcomes.

MDRS Response: MDRS believes the coding is correct, but will ensure staff understand the use of both paid and natural supports. MDRS request clarification from RSA regarding the need for written agreements for natural supports for Supported Employment clients.

Technical Assistance: MDRS does not request Technical Assistance at this time.

3. Roles and Responsibilities of the SRC

Recommendation 3: RSA recommends that MDRS and the MS SRC:

3.1 require the Council's voting and ex-officio members to complete all modules of the SRC on-line training.

MDRS Response: MDRS has made available the online training and will continue to encourage SRC members, who volunteer to serve on the SRC, to complete this training.

3.2 apply the knowledge gained from training to an examination of the council's current functioning and re-define its practices as necessary to ensure that all members fulfill their roles and responsibilities as mandated under the Rehabilitation Act and program regulations.

MDRS Response: As MDRS encourages SRC members to participate in the training, MDRS will encourage SRC members to implement this recommendation.

3.3 complete the development of the Council's by-laws in a manner consistent with federal requirements; and

MDRS Response: The by-laws have been completed. MDRS would appreciate a review of them by RSA to identify which areas are inconsistent with federal requirements.

3.4 clearly describe in all future SRC annual reports to RSA the recommendations made by the Council related to the operation of the VR program and the activities engaged in by Council members during each fiscal year.

MDRS Response: The recommendations from the SRC to MDRS and the SRC activities (listed as accomplishments) have been reported in the SRC Annual Reports from fiscal year 2004 through fiscal year 2008, the review period noted in the Executive Summary of the Draft Report.

Technical Assistance: MDRS does not request Technical Assistance at this time.

Chapter 2: MDRS Independent Living Program

Finding 1:

The MS SILC is not in compliance with the requirements in section 705(b)(6)(A) and (B) because its bylaws in Article 3 section 1(g) are not consistent with the legal requirements regarding 121 SILC representation and term limits. The 121 project director was recently re-appointed by the Governor to the SILC and has served as the 121 representative for more than two consecutive terms.

Corrective Action 1:

MS must take necessary steps to comply with federal requirements for SILC term limits for all members, including the 121 representative

MDRS Response: There is only one Section 121 (Tribal) Program in Mississippi therefore; there is only one representative/director of the Section 121 Program for Mississippi. The Mississippi Band of Choctaw Indians is a separate governmental entity from that of The United States and we have no authority over whom the Chief would designate or recommend to the Governor to represent the MS SILC.

RSA Response: RSA has reviewed the MDRS response and maintains the finding. Mississippi must take the steps necessary to complete the corrective action so that the term limits of SILC members are in compliance with federal requirements. The SILC should work with the 121 project to help identify another individual who can represent the project on the SILC.

Technical Assistance: MDRS does not request Technical Assistance at this time.

APPENDIX B: EXPLANATIONS OF DATA TABLES

VR and SE Program Highlights

- Total funds expended on VR and SE — RSA-2 line 1.4
- Individuals whose cases were closed with employment outcomes — RSA-113 line D1
- Individuals whose cases were closed without employment outcomes — RSA-113 line D2
- Total number of individuals whose cases were closed after receiving services — RSA-113 line D1+D2
- Employment rate — RSA-113 line D1 divided by sum of RSA-113 line D1+D2, multiplied by 100
- Individuals whose cases were closed with SE outcomes — Total number of individuals whose employment status at closure (record position 161) = 7 in the RSA-911 report
- New applicants per million state population — RSA-113 line A2 divided by the result of the estimated state population divided by 1 million. The estimated state population is found on the following Web site: <http://www.census.gov/popest/states/NST-ann-est.html>
- Average cost per employment outcome — Sum of individuals' cost of purchased services from the RSA-911 (record position 104-109) for individuals who achieved an employment outcome (record position 198 = 3) divided by the total number of these individuals
- Average cost per unsuccessful employment outcome — Sum of individuals' cost of purchased services from the RSA-911 (record position 104-109) for individuals who did not achieve an employment outcome (record position 198 = 4) divided by the total number of these individuals
- Average hourly earnings for competitive employment outcomes — Sum of individuals' weekly earnings at closure (record position 163-166) divided by the total hours worked in a week at closure (record position 167-168) for individuals where weekly earnings at closure > 0, where the type of closure (record position 198) = 3, and where competitive employment (record position 162) = 1
- Average state hourly earnings — Using the most relevant available data from the Bureau of Labor Statistics Report (<http://www.bls.gov>), state average annual earnings divided by 2,080 hours

- Percent average hourly earnings for competitive employment outcomes to state average hourly earnings — Average hourly earnings for competitive employment outcomes (above) divided by the Average state hourly earnings (above) multiplied by 100
- Average hours worked per week for competitive employment outcomes — Average hours worked in a week at closure (record position 167-168) for individuals where weekly earnings at closure (record position 163-166) > 0 and where the type of closure (record position 198) = 3 and competitive employment (record position 162) = 1
- Percent of transition age served to total served — Total number of individuals whose age at application is 14-24 and whose type of closure (record position 198) is 3 or 4 divided by all individuals of any age whose type of closure (record position 198) is 3 or 4
- Employment rate for transition population served — Total number of individuals whose age at application is 14-24 and whose type of closure (record position 198) = 3 divided by the number of individuals whose age at application is 14-24 and whose type of closure (record position 198) is 3 or 4 multiplied, the result of which is multiplied by 100
- Average time between application and closure (in months) for individuals with competitive employment outcomes — Average of individuals date of closure (record position 201-208) minus date of application (record position 15-22) in months where type of closure (record position 198) = 3 and competitive employment (record position 162) = 1
- Standard 1 — To achieve successful performance on Evaluation Standard 1 the DSU must meet or exceed the performance levels established for four of the six performance indicators in the evaluation standard, including meeting or exceeding the performance levels for two of the three primary indicators (Performance Indicators 1.3, 1.4, and 1.5).
- Standard 2 — To achieve successful performance on Evaluation Standard 2, the DSU must meet or exceed the performance level established for Performance Indicator 2.1 (.80) or if a DSU's performance does not meet or exceed the performance level required for Performance Indicator 2.1, or if fewer than 100 individuals from a minority population have exited the VR program during the reporting period, the DSU must describe the policies it has adopted or will adopt and the steps it has taken or will take to ensure that individuals with disabilities from minority backgrounds have equal access to VR services.

IL Program Highlights (From RSA 704 report)

- Title VII, Chapter 1, Part B Funds — Subpart I, Administrative Data, Section A, Item 1(A)
- Total Resources (including Part B funds) — Subpart I, Administrative Data, Section A, Item 4

- Total Served — Subpart II, Number and Types of Individuals with Significant Disabilities Receiving Services, Section A(3)
- Total Consumer Service Records Closed — Subpart II, Number and Types of Individuals with Significant Disabilities Receiving Services, Section B(6)
- Cases Closed - Completed All Goals — Subpart II, Number and Types of Individuals with Significant Disabilities Receiving Services, Section B(4)
- Total Goals Set — Subpart III, Section B, Item 1, sum of (A) + (B) + (C) + (D) + (E) + (F) + (G) + (H) + (I) + (J) + (K) + (L)
- Total Goals Met — Subpart III, Section B, Item 1, sum of (A) + (B) + (C) + (D) + (E) + (F) + (G) + (H) + (I) + (J) + (K) + (L)
- Total individuals accessing previously unavailable transportation, health care, and assistive technology — Subpart III, Section B, Item 2, sum of (A) + (B) + (C)
- Total FTEs — Subpart I, Section F, sum of Item 2 for the column
- Total FTEs with Disabilities — Subpart I, Section F, sum of Item 2 for the column

OIB Program Highlights (From RSA 7-OB Form)

- Title VII, Chapter 2, Expenditures — Part I-Sources and Amounts of Funding, (A)(1)
- Total Expenditures (including Chapter 2) — Part I-Sources and Amounts of Funding, (A)(6)
- Total Served Older Individuals who are Blind — Part III-Data on Individuals Served During This Fiscal Year, (B)-Gender, sum of (1) + (2)
- Total FTEs — Part II-Staffing, sum of (1) + (2) + (3) + (4) for the column
- Total FTEs with Disabilities — Part II-Staffing, sum of (1) + (2) + (3) + (4) for the column

APPENDIX C: EXPLANATIONS APPLICABLE TO FISCAL PROFILE TABLES 4.1-4.3

Grant Amount:

The amounts shown represent the final award for each fiscal year, and reflect any adjustments for MOE penalties, reductions for grant funds voluntarily relinquished through the reallocation process, or additional grant funds received through the reallocation process.

Match (Non-Federal Expenditures):

The non-federal share of expenditures in the Basic Support Program, other than for the construction of a facility related to a community rehabilitation program, was established in the 1992 amendments to the Rehabilitation Act at 21.3 percent. As such, a *minimum* of 21.3 percent of the total allowable program costs charged to each year's grant must come from non-federal expenditures from allowable sources as defined in program and administrative regulations governing the VR Program. (34 CFR 361.60(a) and (b); 34 CFR 80.24)

In reviewing compliance with this requirement, RSA examined the appropriateness of the sources of funds used as match in the VR program, the amount of funds used as match from appropriate sources, and the projected amount of state appropriated funds available for match in each federal fiscal year. RSA also reviewed the accuracy of expenditure information previously reported in financial and program reports submitted to RSA.

Carryover:

Federal funds appropriated for a fiscal year remain available for obligation in the succeeding fiscal year only to the extent that the VR agency met the matching requirement for those federal funds by September 30 of the year of appropriation (34 CFR 361.64(b)). Either expending or obligating the non-federal share of program expenditures by this deadline may meet this carryover requirement.

In reviewing compliance with the carryover requirement, RSA examined documentation supporting expenditure and unliquidated obligation information previously reported to RSA to substantiate the extent to which the state was entitled to use any federal funds remaining at the end of the fiscal year for which the funds were appropriated.

Program Income:

Program income means gross income received by the state that is directly generated by an activity supported under a federal grant program. Sources of state VR program income include, but are not limited to, payments from the Social Security Administration for rehabilitating Social Security beneficiaries, payments received from workers' compensation funds, fees for services to

defray part or all of the costs of services provided to particular individuals, and income generated by a state-operated community rehabilitation program. Program income earned (received) in one fiscal year can be carried over and obligated in the following fiscal year regardless of whether the agency carries over federal grant funds. Grantees may also transfer program income received from the Social Security Administration for rehabilitating Social Security beneficiaries to other formula programs funded under the Act to expand services under these programs.

In reviewing program income, RSA analyzed the total amount (as compared to the total percentage of income earned by all VR agencies and comparable/like VR agencies), sources and use of generated income.

Maintenance of Effort (MOE):

The 1992 amendments revised the requirements in section 111(a)(2)(B)(ii) of the Act with respect to maintenance of effort provisions. Effective federal FY 1993 and each federal fiscal year thereafter, the maintenance of effort level is based on state expenditures under the title I State plan from non-federal sources for the federal fiscal year two years earlier. States must meet this prior year expenditure level to avoid monetary sanctions outlined in 34 CFR 361.62(a)(1). The match and maintenance of effort requirements are two separate requirements. Each must be met by the state.

In reviewing compliance with this requirement, RSA examined documentation supporting fiscal year-end and final non-federal expenditures previously reported for each grant year.

Administrative Costs:

Administrative costs means expenditures incurred in the performance of administrative functions including expenses related to program planning, development, monitoring and evaluation. Details related to expenditures that should be classified as administrative costs are found in VR Program regulations at 34 CFR 361.5(b)(2).