

# Analysis & Recommendations Report

Idaho Division of Vocational Rehabilitation  
Rate Analysis Project

July 2024

# Contents

<b>1</b>	<b>EXECUTIVE SUMMARY .....</b>	<b>3</b>
1.1	Project Overview.....	3
1.2	Methodology.....	3
1.3	Rate Calculations.....	3
1.4	Recommendations.....	4
1.4.1	Rate Recommendations & Fiscal Impact .....	5
1.4.2	Program Recommendation 1: Leverage Best Practices in Change Management During Rate Implementation .....	6
1.4.3	Program Recommendation 2: Structure Rates to Improve Outcomes.....	7
1.4.4	Program Recommendation 3: Facilitate Data-Based Decision Making.....	7
<b>2</b>	<b>INTRODUCTION .....</b>	<b>9</b>
2.1	IDVR Background .....	9
2.2	Project Goals.....	9
<b>3</b>	<b>METHODOLOGY .....</b>	<b>10</b>
3.1	Approach .....	10
3.2	Comparative Analysis .....	10
3.3	Cost Collection Methods.....	11
3.4	Limitations and Considerations .....	14
<b>4</b>	<b>COMPARATIVE ANALYSIS .....</b>	<b>15</b>
4.1	National VR Data .....	15
4.2	Summary of Peer State Data.....	17
4.3	Peer State Interview Summary .....	19
4.4	Supplemental Information on Bonus/Incentive Rates .....	21
<b>5</b>	<b>RATE STUDY ANALYSIS .....</b>	<b>25</b>
5.1	Submission Statistics .....	25
5.2	Revenue Analysis .....	26
5.3	Expenses Analysis .....	27
5.4	Solvency Analysis .....	29
5.5	Customers Served Analysis .....	31
5.6	Travel Analysis .....	32
5.7	FTE & Personnel Analysis .....	33
5.8	Case Management Analysis .....	34
5.9	Geographic Analysis .....	37
5.10	Time Study Analysis .....	39
5.11	Vacation & PTO Analysis.....	41

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5.12	Provider Certification Requirements Analysis .....	42
5.12.1	Peer State Certification Requirement Summary .....	44
5.13	Market Salary Analysis .....	49
5.13.1	Market Salary Results .....	50
6	<b>RATE CALCULATIONS .....</b>	<b>52</b>
6.1	Hourly Rate Calculation .....	52
6.2	Inflation Considerations.....	54
6.3	Flat Fee and Milestone Rate Structures .....	55
6.3.1	Flat Fee and Milestone Rate Calculations .....	56
7	<b>RECOMMENDATIONS .....</b>	<b>58</b>
7.1	Rate Recommendations .....	58
7.1.1	Current Rate Comparisons .....	59
7.2	Overall Fiscal Impact.....	60
7.3	Programmatic Recommendations .....	62
7.3.1	Program Recommendation 1: Leverage Best Practices in Change Management During Rate Implementation .....	62
7.3.2	Program Recommendation 2: Structure Rates to Improve Outcomes.....	63
7.3.3	Program Recommendation 3: Facilitate Data-Based Decision Making.....	63
8	<b>APPENDICES .....</b>	<b>65</b>

# 1 EXECUTIVE SUMMARY

The Idaho Division of Vocational Rehabilitation (IDVR) contracted with Public Consulting Group LLC (PCG) to conduct a cost methodology rate study of selected services currently provided by IDVR. The study sought to develop methodology-driven comprehensive rates for the services through a review of services currently provided, research of industry standards, and analysis of Community Rehabilitation Provider (CRP) costs. This executive summary condenses the report into the following components: project overview, methodology, rate calculations, and recommendations. The full report contains additional sections and details that may only be referenced briefly in this executive summary.

## 1.1 Project Overview

In May 2023, the Idaho Division of Vocational Rehabilitation (IDVR) issued a Request for Proposal to complete a cost methodology study for services provided. In August 2023, IDVR contracted with Public Consulting Group LLC (PCG) to conduct a cost methodology study in accordance with the RFP. The study sought to complete a comprehensive review of activities and services currently provided, a review of industry standards, and collection of provider costs and analysis. The study led to the rate methodology recommendations contained in this report.

This report provides recommendations to service rates that are tied to allowable costs in line with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200), are consistent with requirements established by the Rehabilitation Services Administration, and are in line with national standards.

## 1.2 Methodology

PCG utilized our proven approach to conducting rate studies, which is completed through four phases. The four phases included:

1. Securing critical input from IDVR as part of the kickoff and initial assessment;
2. Designing and developing tools and methodologies for data collection, conducting stakeholder interviews, and collecting and analyzing state data;
3. Notifying and supporting the Idaho CRP community about the cost study and training CRP (administrators and fiscal staff) and vocational rehabilitation (VR) practitioners on the tools; and
4. Conducting quality assurance and verification of all data received and analyzing the collected data to develop and present recommendations.

Throughout the project, PCG maintained regular contact with IDVR via biweekly meetings and emails to solicit feedback on the rate study methodology, analysis, and recommendations.

In addition to cost collection research, PCG gathered and analyzed existing data from peer states as well as the Rehabilitation Services Administration (RSA). The IDVR Project Team reviewed and approved the states selected as peer states. The purpose of collecting and analyzing this information was to supplement, extend, and expand PCG and IDVR's context for prioritized services.

## 1.3 Rate Calculations

PCG used data from the comparative analysis and cost collection survey (CRP revenue/expenses, personnel roster, and time study data) to establish updated rates for the current IDVR rate structure. Rates were developed for the IDVR services included in [Table 1.3\(1\)](#) below.

**Table 1.3(1): Services Included in Scope of Rate Study**

VR Service
<b>Assessment Services</b> <ul style="list-style-type: none"> <li>• Assessment: CBWE</li> <li>• Assessment: Report Writing</li> <li>• Assessment: CBWE Site Development</li> <li>• Assessment: Staffing</li> </ul>
<b>General VR Job-Related Support Services</b> <ul style="list-style-type: none"> <li>• Job Search Assistance</li> <li>• Job Supports – Short Term</li> <li>• Training – Job Readiness</li> </ul>
<b>Supported Employment Services</b> <ul style="list-style-type: none"> <li>• Supported Employment – Job Coaching</li> </ul>

One of the goals of this engagement was to ensure that all costs included in the established rates are reasonable as defined by 2 CFR 200.404. Similar to Medicaid and other reimbursement rates, payments to providers should be consistent with efficiency, economy, and quality of care (Social Security Act § 1902(a)(30)). Cost-based rates are the foundation of most methodologies and include all direct and indirect costs related to the provision of the service by the provider. Cost-based rates may include several components, but IDVR should generally capture the following costs associated with VR service delivery, shown in **Figure 1.3(1)** below.

**Figure 1.3(1): Cost Components of Hourly VR Service Cost**

<i>Provider costs DURING the billable unit</i>	
<i>Provider costs OUTSIDE the billable unit</i>	
	Hourly Wage + Tax and Fringe Costs + Administrative Costs + Non-Billable Costs <hr/> = Hourly Service Cost

The rate calculations aim to capture all expenses involved in IDVR service delivery utilizing a rate build-up methodology. This methodology follows best practices in provider payment and federal reimbursement rate setting. PCG recently used this methodology for rate studies for VR systems in Florida (2023), Nebraska (2023), Michigan (2024), and Texas (2023). PCG's project team also followed best practices honed through similar rate studies for human services agencies in more than 35 states.

PCG used this cost-based rate methodology using data from the comparative analysis, and the cost collection survey to calculate benchmarks for each service category. This methodology is the basis for rates recommended in the following section. For more information on specific rate build inputs and calculated rates by service, please refer to Section 6 - Rate Calculations.

## 1.4 Recommendations

PCG makes rate and programmatic recommendations to IDVR based on the analysis summarized in this report. PCG's rate recommendations are tied directly to the rate calculations. PCG provides programmatic recommendations associated with the rates. Together, these components can work in tandem to support IDVR's mission to help people with disabilities find and maintain employment and enhance their independence. IDVR may accept all, some, or none of these recommendations.

### 1.4.1 Rate Recommendations & Fiscal Impact

PCG recommends the rates listed in **Tables 1.4.1(1-3): Rate Recommendations** below for implementation in FY 26 based on the analysis described in this report. As noted throughout this report, the rate calculations are based on the conducted cost study, market salary research, feedback from IDVR, and peer state research.

**Table 1.4.1(1): Rate Recommendations – Flat Fee Rates**

Service	Proposed Rate Type	Proposed Service Rate
<b>Assessment Services</b>		
Assessment: CBWE	Flat Fee	\$1,760
Assessment: CBWE Report Writing	Flat Fee	\$100
Assessment: CBWE Site Development	Flat Fee	\$1,160
Assessment: Staffing	Flat Fee	\$100
<b>Training – Job Readiness</b>		
Training – Job Readiness	Flat Fee	\$760

**Table 1.4.1(2): Rate Recommendations – Milestone Rates**

Service	Proposed Milestones	Proposed Milestone Payments	Total Service Amount
<b>General VR Job-Related Support Services</b>			
Job Search Assistance	M1: Resume preparation, identifying job opportunities, developing interview skills	\$239	\$956
	M2: Customer obtains employment	\$717	
Job Supports – Short Term	M1: Customer employed 15 days after starting job	\$372	\$1,116
	M2: Customer employed 45 days after starting job	\$372	
	M3: Customer employed 90 days after starting job	\$372	

**Table 1.4.1(3): Rate Recommendations – Hourly Rates**

Service	Proposed Rate Type	Proposed Service Rate
<b>Supported Employment</b>		
Supported Employment – Job Coaching	Hourly	\$60 per hour

#### ***Fiscal Impact of Recommended Rates***

Service utilization varied across FY21-23. Due to that variation, the total cost for services also varied each year. FY21 showed the highest service utilization, thus the highest total cost for services. FY22 showed a moderate service utilization and total cost, compared to FY21 and FY23 data. FY23 showed the lowest service utilization and total cost of the three years' data. Actual service units and total costs for each of the three fiscal years are presented in **Table 1.4.1(4)**.

**Table 1.4.1(4): FY21-23 Service Levels and Total Costs**

VR Service	FY21 Service Units	FY21 Cost (High)	FY22 Service Units	FY22 Cost (Medium)	FY23 Service Units	FY23 Cost (Low)
<b>Assessment Services</b>						
Assessment: CBWE	7,717	\$416,691	6,447	\$348,138	6,616	\$357,237
Assessment: CBWE Report Writing	N/A	\$0	N/A	\$0	166	\$8,964
Assessment: CBWE Site Development	4,655	\$251,370	3,740	\$201,933	4,797	\$259,038
Assessment: Staffing	867	\$46,818	835	\$45,104	809	\$43,686
<b>General VR Job-Related Support Services</b>						
Job Search Assistance	17,654	\$953,330	13,757	\$742,865	13,582	\$733,401
Job Supports – Short Term	9,080	\$490,293	7,436	\$401,517	5,727	\$309,231
Training – Job Readiness	741	\$40,014	680	\$36,739	411	\$22,167
<b>Supported Employment</b>						
Supported Employment – Job Coaching	19,220	\$1,037,885	19,864	\$1,072,637	19,517	\$1,053,932
<b>Total</b>	<b>59,933</b>	<b>\$3,236,401</b>	<b>52,758</b>	<b>\$2,848,932</b>	<b>51,623</b>	<b>\$2,787,656</b>

Due to the variation in service volume over each of the fiscal years analyzed, the total estimated cost of FY26 proposed rate implementation varies, dependent upon which years' service volume is forecasted. **Table 1.4.1(5)** summarizes the estimated difference (dollars) and variance (percentage) in FY26's total costs, based on each fiscal year's (2021 – 2023) service levels.

**Table 1.4.1(4): Fiscal Impact Analysis Based on FY21-23 Service Volumes**

Service Volume	Total Cost from Current Rates	Estimated Cost from Recommended Rates	Difference	Variance
<b>FY21 (High)</b>	\$3,236,401	\$5,727,114	<b>\$2,490,713</b>	<b>77%</b>
<b>FY22 (Medium)</b>	\$2,848,932	\$4,518,314	<b>\$1,669,382</b>	<b>59%</b>
<b>FY23 (Low)</b>	\$2,787,656	\$3,941,624	<b>\$1,271,072</b>	<b>46%</b>

## 1.4.2 Program Recommendation 1: Leverage Best Practices in Change Management During Rate Implementation

PCG recommends **utilizing an effective implementation plan** based on best practices in change management. As part of this scope of work, **PCG will develop a recommended implementation plan** for IDVR to be included along with this analysis and recommendations report and other supporting files.

The following high-level implementation recommendations support IDVR's ability to effectively implement the new rate structure:

1. **Establishing a feedback loop between IDVR and CRP stakeholders** through the creation of an advisory council of CRPs to meet quarterly to identify challenges, priorities, and provide solutions.

2. **Consider phase-in rate increases** depending on estimated fiscal impact and IDVR fiscal year budget constraints. This can be done by prioritizing services to fund or staggering rate adjustments.
3. The implementation plan should include activities such as **policy enhancements and updating CRP contracts** to align with the new rate structure and provider staff qualification requirements.
4. **Provide transparency for providers** by committing to a rate update plan and schedule and communicating clearly with stakeholders.

### 1.4.3 Program Recommendation 2: Structure Rates to Improve Outcomes

The following is a series of recommendations on the ways IDVR can further improve services and outcomes in alignment with IDVR's program priorities.

1. **Establish service provider staff qualifications.** This analysis can help support any subsequent rate adjustments. It will also allow for easier market analysis. This is particularly important for services that require specific credentials. For more information regarding provider certifications and credentials, please refer to the [Provider Certification Requirements Analysis section](#).
2. **Consider external factors when setting/adjusting rates** such as what peer and neighboring state VR agencies pay for similar VR services. For example, when looking at the Job Search Assistance (JSA) service, it was noted that Washington VR pays a significantly higher rate than was calculated for IDVR (\$956 total service amount).

In this instance, the \$956 total was calculated by taking the straight average hours for providing JSA services according to case management data (12 total hours). However, IDVR could use the top 75th percentile of average hours, bringing the total hours to 17 total hours. Using 17 hours would bring the total service amount to \$1,436 as outlined in the table below.

Service	Proposed Milestones	Proposed Milestone Payments	Total Service Amount
<b>General VR Job-Related Support Services</b>			
Job Search Assistance	M1: Initial staffing and participation in job placement/support services agreement	\$359	\$1,436
	M2: Customer obtains employment	\$1,077	

3. **Explore value-based payment approaches** to enhance service quality and employment outcomes. Rate structures ideally incorporate performance measures to incentivize outcomes. IDVR could consider a rate structure that is still grounded in costs but is enhanced by provider performance. For example, some approaches may tier milestone rates based on the quality of outcomes such as the number of hours, wage, or standard occupational classification (SOC) code.
4. **Explore the development and dissemination of incentive payments to target unserved and underserved populations.** During the course of this engagement, the project team has discussed opportunities to leverage the rate structure to incentivize providers serving those populations that are currently unserved or underserved. For more information regarding incentive payments to target unserved and underserved populations, please refer to the [Supplemental Information on Bonus and Incentives Rates](#) section.

### 1.4.4 Program Recommendation 3: Facilitate Data-Based Decision Making



To monitor both the success and opportunities for improvement in service delivery, collecting the right data on a regular basis is required. The following recommendations support IDVR's ability to facilitate data-based decision making.

1. **Monitor provider costs by collecting cost report and milestone data annually.** This data can help IDVR assess the alignment of its new payment structure with actual costs. The cost reports should collect detailed service, revenue, and expense data from all providers. Market (salary) and inflation data should also be reviewed so that rates continue to reflect program realities.
2. **Facilitate regular rate studies of VR services** on a planned cadence and any time there is a material change in service provision and/or every three to five years to keep rates as closely aligned with provider cost realities as possible.

## 2 INTRODUCTION

### 2.1 IDVR Background

IDVR is committed to helping people with disabilities find and maintain meaningful employment. For the services within the scope of this project (listed in [Section 1.3](#)), the agency supported over 1,004 unique VR customers (Participant IDs) through 32 CRPs in Fiscal Year (FY) 23. For the services in this project scope in FY 23, IDVR expended \$1,817,960.69.

### 2.2 Project Goals

IDVR contracted with PCG to conduct a rate study and provide recommendations to inform an update to the rates that IDVR pays CRPs. The expected deliverables included in IDVR's 2023 Request for Proposals (RFP) are outlined in **Table 2.2(1)**. This report, along with PCG's presentations and supporting files, meet the deliverable requirements outlined below.

**Table 2.2(1): 2023 RFP Section 9.8 Items 1-5 Deliverables**

Contract/RFP Section 9.8 Items 1-5	
9.8.1	A summary of other state VR agencies' best practices for setting vocational rehabilitation rates.
9.8.2	A comprehensive report detailing the methodology, findings of the rate analysis, conclusions, and implementation strategies.
9.8.3	A summary of the analysis and recommendations, presented in a clear and concise manner, to be shared with stakeholders and used to inform future decisions and policy changes.
9.8.4	An executive summary of the findings and recommendations
9.8.5	Presentation of findings to IDVR executive leadership, if requested.

## 3 METHODOLOGY

### 3.1 Approach

This section outlines PCG's proven approach to conducting rate studies. The rate study components include:

- **Market Analysis:** PCG conducted a market analysis to review national and state comparisons to identify salaries and/or payment rates in the market for similar VR services.
- **Peer State Research:** PCG interviewed staff in peer states identified by IDVR to gain an understanding of each state's: 1) current fee structures, 2) rate setting process, 3) use of outcome driven bonus and incentive payments, 4) certification/training requirements for CRPs and 5) observations of the impact of their rate structure on CRP availability and solvency.
- **Cost Collection Survey & Personnel Roster:** PCG designed a cost survey and personnel roster for IDVR CRPs to fill in for PCG to use for analysis and recommendations. PCG coordinated communication efforts to notify CRPs of upcoming training dates and data collection.
- **Data Verification:** PCG attempted to verify each submitted cost collection survey against backup documentation and conducted additional quality assurance reviews based on a checklist and peer review process PCG has used in other states.
- **Analysis and Recommendations:** PCG drafted a set of rate recommendations and a final report which includes a fiscal impact of the recommended rates. Recommendations include:
  - Recommend rates for the services analyzed for this rate study.
  - A sound methodology for setting rates, ensuring that rates and payment structures are sustainable. This includes recommendations on timelines and processes for re-calibrating rates to account for variables such as inflation.
  - Description of the rate recommendation process such that one can clearly understand how the rates were determined.
  - Ensuring that all costs included in established rates are reasonable. Include methodologies for future updating the rates.
  - Recommendations regarding outcome-based rates for services in the study.
  - Recommendations regarding service provider training and certification requirements.
- **Ongoing Communication:** PCG and IDVR conducted bi-weekly status update meetings to report on progress, discuss challenges & risks, and bring forward any questions that arose throughout the project.

### 3.2 Comparative Analysis

In addition to cost collection research, PCG gathered and analyzed existing data from peer states and the Rehabilitation Services Administration (RSA). The IDVR Project Team reviewed and approved both the states selected as peer states and states selected for exploring options for bonus and incentive payments. The purpose of collecting and analyzing this information was to supplement, extend, and expand PCG and IDVR's context for prioritized services. The following narrative outlines the methods behind peer state and RSA research.

#### ***National Vocational Rehabilitation Data***

PCG reviewed national program data produced by RSA. PCG collected the data from RSA presentations at semi-annual conferences of the Council of State Administrators of Vocational Rehabilitation (CSAVR) and from the RSA website. This information provides a context vis-à-vis its peer states for IDVR's performance on the Common Performance Measures and important RSA goals.

### Peer State Research

PCG reviewed five peer VR agencies. In collaboration with IDVR, PCG selected states based on similarities to IDVR including the number of applications for IDVR service, number of customers served, geography, urban/rural distribution, number of job placements and depth and breadth of customer services. PCG selected Washington, Utah, Oregon, Wisconsin, and Indiana as peer states.

PCG compared peer state's services and rates with similar services and rates in Idaho. In addition to the five peer states, PCG identified selected states which pay incentives/bonuses in addition to regular service rates for job placements. To receive one of the incentive/bonus payments, a CRP job placement must meet certain criteria: higher than average wages, employer provided health benefits, greater than average hours worked, and job retention beyond ninety days. Section 4 – Comparative Analysis provides the results and analysis of this activity.

### 3.3 Cost Collection Methods

PCG utilized multiple methods to collect, interpret, and analyze cost data. PCG used a cost collection survey to collect actual cost data from CRPs. Stakeholder engagement with CRPs facilitated PCG's development of the cost collection survey (i.e., ongoing project team meetings with IDVR and CRP focus group sessions). Additionally, PCG conducted a comparative analysis between CRP-reported cost data and IDVR-provided billing data, and peer state research with IDVR-preferred peer states. Research of the national landscape regarding VR service rates, program requirements, and best practice protocols further bolstered the analysis. Market salary research enhanced available salary data and provided competitive market salary baselines for consideration during the rate build-up process.

#### Stakeholder Engagement

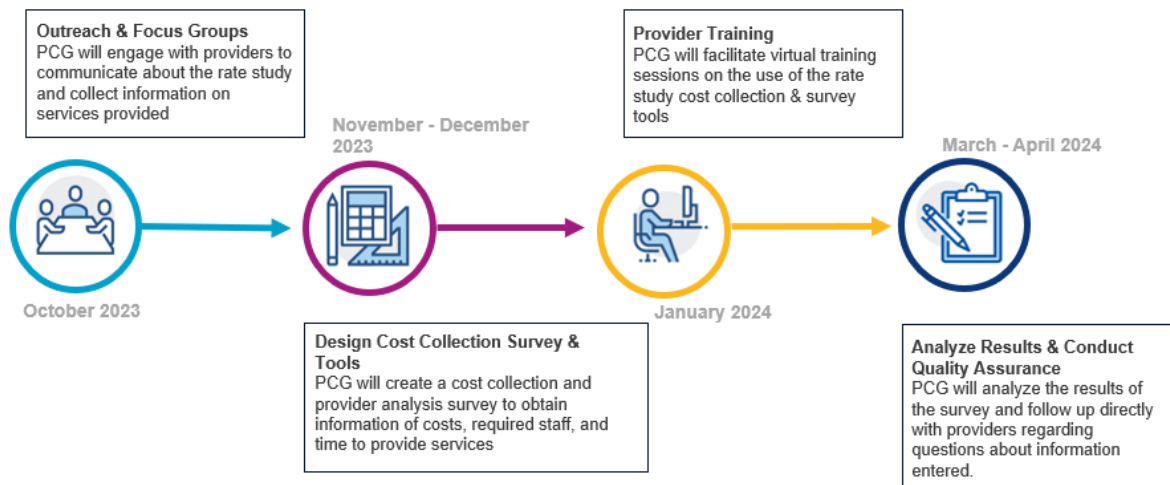
PCG's approach leveraged stakeholder engagement to refine the cost study tools and gain feedback and rapport from providers throughout the process. In collaboration with IDVR, PCG conducted stakeholder engagement through focus groups, development and maintenance of a project website, webinar trainings, and communication with CRPs throughout the survey submission period. Focus groups helped inform the development of sound tools for collection and analysis of data. PCG partnered with IDVR to identify CRPs for focus groups, webinar training, and dissemination of the cost collection survey.

PCG scheduled three focus sessions with CRPs. PCG designed the target audience, questions, and methods based on IDVR's priorities for the study. **Table 3.3(1)** shows the dates and participation for each of the focus groups. CRP providers were eager to provide feedback on the study. **Appendix A: Focus Group Questions** has the questions asked of each group.

**Table 3.3(1): Overview of CRP Focus Group Participation**

Focus Group	Date	Participants Attended
Focus Group 1	November 6, 2023	13
Focus Group 2	November 7, 2023	14
Focus Group 3	November 9, 2023	2

**Figure 3.3(1)** shows the steps taken to engage and support CRPs during the course of the Rate Study. PCG distributed information via email, website, and established communication channels used by IDVR. PCG did presentations and updates at several regularly scheduled meetings between IDVR and CRPs. Throughout the process, PCG prepared communications for IDVR's subsequent review, approval, and distribution. All identified stakeholders received an email with an overview of the rate study, opportunities for engagement, and the rate study timeline.

**Figure 3.3(1): Rate Study Timeline**

To maintain communication with CRPs, PCG developed and maintained a website using the Weebly platform. The website housed instructions manuals, recorded webinars, and timelines for the cost collection survey and rate analysis.

PCG provided two (2) live training sessions and explained how to complete each question on the cost collection survey. An email address specific to this study provided CRPs with a way to contact PCG while they were completing the Cost collection survey.

### **Cost Collection Survey**

PCG used a cost collection survey to capture revenue, expenses (personnel and non-personnel), and service details from IDVR provider agencies for Fiscal Year July 1, 2022, through June 30, 2023 (FY23). CRPs completed the cost collection survey and submitted it by February 23, 2024, via the Qualtrics online survey platform. The cost collection survey captured three sets of data:

- Cost data – Revenue, personnel expenses, and other expenses associated with providing VR services within the timeframe of the study.
- Personnel data – Information about all employees and independent contractors within an agency that delivered VR services in FY 23, including their discipline and qualifications, hours and amount paid.
- Time Study data – Information about service hours, both direct and non-direct, and travel time that may not be reflected in CRP cost data or IDVR-provided case management data.

**Table 3.3(2)** provides a list of the elements captured in the cost collection survey:

**Table 3.3(2): Cost Collection Survey Data Elements**

Cost Data	Personnel Data	Time Study Data
<ul style="list-style-type: none"> <li>• Provider name and contact info</li> <li>• IRS tax status</li> <li>• Number of customers served</li> <li>• Regions served</li> <li>• Service Authorizations</li> <li>• Average distance traveled to see customer</li> <li>• Revenues</li> <li>• Full-Time Equivalents</li> <li>• Average paid time off for staff</li> <li>• Total salaries, taxes, and fringe benefits paid for employees and contractors</li> <li>• Non-personnel expenses (e.g., rent/mortgage, utilities, insurance, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>• Provider name and contact info</li> <li>• IRS tax status</li> <li>• Name or ID/Mnemonic, employee type, title, primary VR role(s), and identifiers re: supervision and service coordination for all personnel</li> <li>• Educational attainment, licensures, certifications</li> <li>• Start/hire and end/term dates</li> <li>• Total hours furloughed</li> <li>• Total hours paid, annual salary, and fringe benefits for FY 2023</li> <li>• Percentage of time allocated to the IDVR Program</li> </ul>	<ul style="list-style-type: none"> <li>• Provider participation in services by former IDVR service region</li> <li>• Staff travel time estimates, by former IDVR service region</li> <li>• Staff travel distance estimates, by former IDVR service region</li> <li>• Average direct service hours to service one customer, by type of service</li> <li>• Average non-direct service hours to service one customer, by type of service</li> <li>• Details on how time was measured</li> </ul>

### ***Training & Technical Assistance***

PCG began engaging with the IDVR provider agencies in September 2023. For the cost collection survey, PCG trained IDVR CRP agency administrators and fiscal staff on completing the cost collection survey with two (2) live webinars on January 23, 2024, and January 25, 2024. PCG recorded and archived the cost collection survey trainings on the Weebly website. CRP participants were provided the link to the archived training recording.

In addition to the training webinars, PCG provided ongoing technical assistance via email and phone or video conference, when requested. IDVR identified 32 CRPs for participation in the cost collection survey; Eleven (11) CRPs supplied data for the cost study. Please reference **Appendix B: Participating Providers** to view the list of participating CRPs.

### ***Quality Assurance***

PCG employed comprehensive quality assurance processes and controls to help ensure that CRP submissions and all corresponding data and analyses were complete and accurate. Quality assurance (QA) began within provider agencies and continued through PCG's data collection and analyses.

After submission, the cost collection surveys underwent a multi-tiered QA process that included two levels of review and a final signoff. At least two PCG employees reviewed each tool submission and its accompanying backup documentation for accuracy and completeness. Each level of review and decisions regarding the data were documented. Each tool submission included subsections for revenues, expenses, and personnel costs. Each provider submission subsection was compared to other similar sized providers' data to ensure accuracy, completeness, and reasonableness.

A critical component of the cost collection survey QA process involved provider follow up. Reviewers emailed a summary of QA findings and questions to agencies to acquire additional information/clarification following the second-level review, and the QA team collected and documented provider responses and provided additional follow up, as needed. The clarifying provider information obtained was used to supplement and revise the original submission data, where appropriate, and some data were excluded during data cleaning or QA processes for varying reasons (e.g., incomplete data, inaccurate data, etc.).

Ultimately, data was used, at least partially, from 11 cost collection surveys (100% of those submitted). This total represented 34% of the 32 active providers with unique CRP numbers in FY23.

### **Market Salary Research**

PCG supplemented its data analysis with market salary research to help establish an understanding of wages for similar vocational rehabilitation services and to inform rate calculations. PCG used data from the U.S. Department of Labor, Bureau of Labor Statistics (BLS), Occupational Employment and Wage Statistics (OEWS) program, which produces employment and wage estimates for occupations across the country for this market research. In some cases where data was unavailable from the data collection tools, PCG used market salary data in the rate calculations. However, not all positions/roles are included within BLS, so PCG used proxy employment types when there was not a one-to-one match.

## **3.4 Limitations and Considerations**

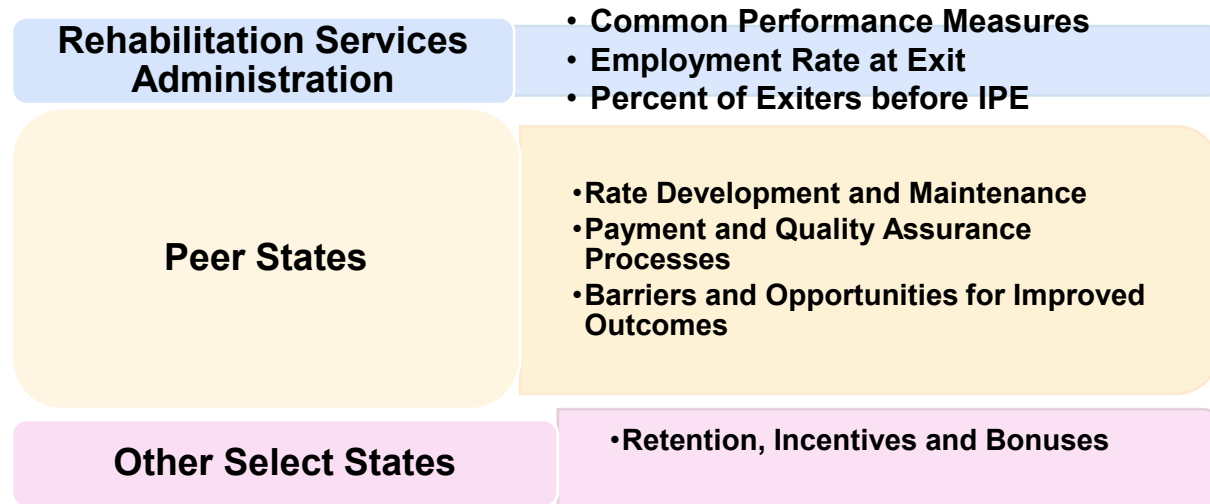
The following limitations and considerations were encountered during the cost study:

- **Inflation:** The market research includes information from 2022-2023 salary and wages for the nation as a whole and individual states, while the cost collection survey (and personnel roster) captured participating VR provider agencies' revenue, expenses (personnel and non-personnel), and service details for FY23, but this information may be outdated by the time Idaho implements any updated reimbursement rates. PCG has included a section in this report addressing inflation based on best practices in provider payment rate setting.
- **Quality Assurance:** PCG partnered with participating VR provider agencies to ensure the quality and consistency of all data collected for the cost study. As described in the previous section, PCG employed comprehensive QA processes and controls to help ensure that provider submissions were complete and accurate. However, PCG cannot guarantee the accuracy of submission time study tools, Cost Report Surveys, and personnel rosters submitted from practitioners and providers.
- **Geographic Differences:** Not all geographical regions of Idaho were fully represented in this study. Reasons can include some areas having fewer active CRPs, or due to the voluntary nature of participation. PCG heard anecdotally that the more urban areas of Idaho have increased expenses, and while PCG did not see this reflected in the cost analysis, there is a large difference across Idaho in terms of the cost of living in certain areas, which likely translates to higher cost to provide services in certain areas. PCG thus recommends Enhanced Rate Adjustments in conjunction with Idaho's average service spend data, for underserved areas listed in Idaho VR's Community Rehabilitation Program's Manual (October, 2023).
- **CRP Reported Data for Services Removed from Rate Analysis Scope:** Following the data collection period, it was determined that assessment: vocational evaluation, benefits planning services, and pre-ETS services were not to be included in the analysis. However, the customers served, revenue, solvency, and travel analyses may still reflect CRP reported data for those services no longer included in the analysis as this data is incapable of being separated out from the services that remained in the rate analysis.

## 4 COMPARATIVE ANALYSIS

This section contains the results of PCG’s review of national VR data, peer state data and market salary data. Together, these data sources inform and expand upon prevailing practices.

**Figure 4(1): Comparative Analysis Sources and Data Points**



### 4.1 National VR Data

Peer states were carefully selected in conjunction with IDVR by considering several factors, such as: geographic proximity, state population, ethnicity demographics, and WIOA performance measures. The five (5) states selected were: **Indiana, Oregon, Utah, Washington, and Wisconsin.**

PCG used a proven comparative analysis approach to collect information regarding state VR rate methodologies and feedback which included a mix of interviews with state agency contacts, a review of the VR agency’s policies, and online research of fee schedules and service rates. A list of the interview questions can be found within the Peer State Interviews section.

**Table 4.1(1)** and **Table 4.1(2)** provide comparisons of IDVR and its peer states for the Workforce Innovation and Opportunity Act (WIOA) common performance measures and two process metrics tracked by Rehabilitation Services Administration (RSA). IDVR performs better than the national average in employment rate in quarter 2 (Q2) and Q4, measurable skills gained rate, and credential attainment rate. Only in median earnings in Q2 did IDVR fall behind the national average.

IDVR fell below the national average for percent of all exiters prior to Individual Plan for Employment (IPE). Based on research conducted by RSA, the “percent of all exiters prior to IPE” is considered a good indicator of future performance on the common performance measures of employment rate at Q2 and Q4 after exit. RSA learned that the “percentage of exiters prior to IPE” is inversely related to the measurable skills gain rate – as the percentage of exits goes down the measurable skills gain rate generally increases. “Measurable skills gains” are directly correlated with an increased likelihood of employment in a job with a career. (Rehabilitation Services Administration, Presentation at CSAVR Fall Conference, 2023)



**Table 4.1(1): Idaho VR and Peer State Percentages for WIOA Common Performance Measures- PY 2022**

State	Employment Rate Q2 After Exit	Employment Rate Q4 After Exit	Median Earnings Q2 After Exit	Measurable Skills Gain Rate	Credential Attainment Rate
National	56.0%	53.0%	\$5,130	49.0%	38.0%
Idaho	64.9%	62.7%	\$4,950	56.1%	62.1%
Indiana	60.4%	57.9%	\$3,562	65.2%	47.7%
Oregon	59.9%	55.1%	\$4,035	33.1%	46.0%
Wisconsin	56.8%	53.9%	\$3,437	60.1%	39.9%
Utah	53.7%	52.7%	\$4,726	55.2%	37.5%
Washington	45.3%	34.4%	\$3,915	51.8%	14.5%

(Rehabilitation Services Administration, Presentation at CSAVR Fall Conference, 2023)

**Table 4.1(2): Idaho VR and Peer State Metrics for Program Exiters - PY 2021 & PY 2022**

State	Percent of All Exiters Prior to IPE – PY 2021 (lower percentage is better)	Percent of All Exiters Prior to IPE – PY 2022 (lower percentage is better)
National	26%	32%
Idaho	31%	35%
Indiana	29%	34%
Oregon	26%	30%
Wisconsin	29%	33%
Utah	34%	30%
Washington	43%	40%

(Rehabilitation Services Administration, Presentation at CSAVR Spring Conference, 2023)

## 4.2 Summary of Peer State Data

As part of this project's peer state comparative analysis, the PCG team conducted interviews with peer state VR administrators, researched online resources, and analyzed PCG's proprietary VR data. A summary of interview and research data is provided in **Tables 4.2(1) and 4.2(2)**.

**Table 4.2(1)** provides an overview of key findings from interviews with Peer State VR Directors or their designees. More extensive interview information is provided in the next section.

**Table 1.2(1): Key Points from Peer State Interviews**

	Washington	Utah	Oregon	Wisconsin	Indiana
<b>Rate Type</b>	Statewide and Outcomes	Statewide	Statewide	Statewide milestones & hourly	Statewide
<b>Rates Last Updated</b>	2015 with annual updates. In process of full rate review and update.	<ul style="list-style-type: none"> <li>Updated annually based on inflation, labor trends, market analysis</li> <li>7% increase in 2023</li> <li>Not across the board increases for all services</li> </ul>	March, 2022	Updated in 2022 for July, 2022 to June, 2024	2023-Partial
<b>Rate Determination Method</b>	Annually review based and adjustments based on inflation and other factors. 7% in 2023.	Annual review of inflation, labor trends, market analysis in private and non-profit. Adjusted if greater than 5%-6% cost increase.	Annual review of inflation, labor trends, market analysis in private and non-profit, peer states, Oregon state departments, review authorizations	Reviewed every two years for inflation, labor trends, market analysis	Not Available

<b>Unique Elements</b>	<ul style="list-style-type: none"> <li>• Rates have levels depending on severity of customer's disability</li> <li>• Incentive payments for job retention, employer benefits, 30+ hours worked</li> <li>• Make 3 payments at milestone points during Customized Employment &amp; Job Placement</li> <li>• Make 2 payments at milestone points during Trial Work, Community Based Assessment, Intensive Training, Job Retention</li> </ul>	<ul style="list-style-type: none"> <li>• Have a full-time Vendor Liaison</li> <li>• Vendor-Performance Standards</li> <li>• Choose To Work Team of VR employees for underserved areas</li> <li>• Make 3 payments during certain milestone services (15%, 30%, 55%)</li> <li>• e. Have "optional" courses a CRP can provide for additional revenue</li> </ul>	<ul style="list-style-type: none"> <li>• Direct Placement Incentive – a provider brings an open job to VR and VR matches a customer to job.</li> <li>• Statewide monthly communities of practice for staff and providers</li> </ul>	Incentive Payments for: <ul style="list-style-type: none"> <li>• 30+hours worked</li> <li>• Hourly wage at a certain level</li> <li>• Employer provided benefits</li> <li>• Partners With Business program</li> </ul>	Incentive Payments for: <ul style="list-style-type: none"> <li>• A job working 30+ hours a week</li> <li>• Hourly wage greater than \$15.78 hr</li> <li>• Employer provided health benefits</li> </ul>
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**Table 4.2(2)** shows service rates for Idaho and the Peer States. In certain cases, i.e. Assessment Vocational Evaluation, a comparable service was not found in a Peer State. In Washington, the levels correspond to the significance of a customer's disability (Level 1 is "disabled", Level 2 is "significantly disabled" and Level 3 is "most significantly disabled" and the "DB" rate is for Blind and Visually Impaired.

**Table 4.2(2): Selected Rates from Peer States**

<b>ID Services</b>	<b>Idaho (Hourly Payments)</b>	<b>Indiana (Hourly and Outcome Payments)</b>	<b>Oregon (Hourly Payments and Fee)</b>	<b>Wisconsin (Hourly and Outcome Payments)</b>	<b>Utah (Outcome Payments)</b>	<b>Washington (Outcome Payments)</b>
<b>Assessment: Community Based Work Evaluation</b>	\$54/hour + local minimum wage reimbursement	\$50/hour	\$1,250	\$800	Tier 1- \$270 Tier 2- \$585 (includes	There are Intake and Outcome fees Level 1- \$502; \$1,872 Level 2 - \$624; \$1,994

ID Services	Idaho (Hourly Payments)	Indiana (Hourly and Outcome Payments)	Oregon (Hourly Payments and Fee)	Wisconsin (Hourly and Outcome Payments)	Utah (Outcome Payments)	Washington (Outcome Payments)
(CBWE)					situational assessment)	Level 3 - \$746; \$2,059 Level 4 - DB - \$1090; \$2,986
<b>Job Search Assistance</b>	\$54/hour	\$50/hour	Negotiated Rate	\$550	\$560	Level 1: \$665, \$618, \$1,936 Level 2: \$746, \$997, \$3,216 Level 3: \$746, \$1,370, \$2,216 Level 4 -DB: \$834, \$1,534, \$2,478
<b>Job Supports – Short Term</b>	\$54/hour	\$50/hour	\$40-\$60/hour	\$500/month	\$45/hour	Level 1: \$408, \$248 Level 2: \$560, \$2,181 Level 3: \$933, \$2,618 Level 4 – DB: \$1,225, \$3,417
<b>Training Job Readiness</b>	\$54/hour	\$50/hour	Service Not Listed In Service Manual	\$300/course	Service Not Listed In Service Manual	Service Not Listed In Service Manual
<b>Supported Employment – Job Coaching</b>	\$54/hour	\$50/hour	N/A	\$1,600/month	\$45/hour	Customized Job Placement  Intake - \$834 Activity - \$1,534 Outcome - \$2,478

## 4.3 Peer State Interview Summary

PCG used a proven comparative analysis approach to collect information about peer state fee structures and rates. PCG interviewed representatives from each peer state. The following sections provide a summary of key takeaways from the interviews.

### Rate Structure Methodologies

Generally, each peer state did not follow a consistent rate structure methodology. Utah and Washington coordinate their rates with the Developmental Disabilities agency and Washington recently contracted for a formal rate setting process for approximately 30% of their services. Oregon has a plan to switch from paying for CRP staff time to provide a service to a fee-for-service model. Washington developed rates based on a client's level of disability. When updating their rates, peer states reported using a combination of cost-of-living, review of peer states rates, market trends and comparable services by private providers.

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*Peer states reported they have a mixture of rate setting methodologies.*

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Washington's rates have been outcome based for a long time and they are satisfied with their rate structure. In 2017, Washington clarified what does and does not constitute milestone achievement and in 2024 Washington conducted a rate study for about 40% of their services. Annually Utah reviews the impact of inflation, cost of living and labor force trends and will adjust rates, generally, if provider costs increase more than 5% in a year. Utah is looking at quality issues and factors like staff credentials, education, and staff experience to incorporate those factors into rates. Oregon looked at the cost to provide certain customer services and considered the option of providing certain services in-house. Utah uses its rates and incentives to shorten the time a customer takes to find employment – they found that as the time lengthened to find employment, the number of employment outcomes progressively declined. After reviewing neighboring states and similar states around the country, Oregon updated Pre-ETS rates and switched to hourly rates for some services.

### Reporting and Invoicing Processes

Washington acknowledged that the delay in sending service authorizations to providers can hinder timely service delivery to clients and delays in paying invoices can have an impact on a CRP's cash flow. For invoices, many people have a part in the review and payment of invoices which slows down the payment process. Washington does make milestone payments plus an outcome payment for a number of services. This approach compensates CRPs who work with clients, but the client may drop out or does not find a job. Utah has a similar payment approach. Utah addressed the administrative burden for both its staff and CRP staff by creating standard designated forms for each step in the process. This change led to shorter progress reports and increased clarity in communications between VR staff and CRP staff. Utah created central email addresses for monthly reports and invoices for each office. One person in each office monitors the mailbox and routes customer reports and service invoices to the right person in the office. This reduced the frequency of lost or delayed reports and invoices and increased the timeliness of invoice payments.

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*Peer states have made changes in reporting and invoicing processes to help providers manage cash flow and reduce administrative burden.*

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## Bonus & Incentive Payments

Oregon has a direct placement payment whereby if a provider brings a job to VR and VR matches a customer with the job, VR then pays the vendor directly for the job placement. Starting July 1, 2012, Washington began paying bonuses/incentives for jobs with employer-provided health care, a high wage and rapid placement. The high wage bonus (an additional \$722) needs to be consistent with their IPE goal achieve a certain wage (25% above the local wage for Supported Employment and 50% above local wage for all others) and maintains the wage for 90 days for non-Supported Employment and until stabilization for Supported Employment. Washington pays a bonus of \$722 if a DVR customer obtains a permanent, competitive, and integrated job as a secondary outcome of their Community Based

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*All states have **incentive/bonus payments** to increase the number of clients obtaining career-type jobs.*

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Assessment (CBA). Utah is considering bonus payments for a job with health care benefits, jobs in the STEM field and over a certain hourly wage.

## Certifications and Training for Service Provision

Utah has certification requirements that vary by service. Utah dedicates a full-time staff person to be the provider liaison and that person regularly visits providers to check on certifications, update provider agreements and provide technical assistance and training. The liaison's training can count towards required certifications and CEUs. Utah contracts with Utah State to provide training and coaching to CRPs. Oregon VR does CRP training on direct services as well as how to use systems and services. Oregon uses a variety of strategies to engage with CRPs and provide required training: in-person meetings across the state, a statewide conference which includes training sessions for both VR and CRP staff and Oregon occasionally facilitates Communities of Practice sessions (virtual and in-person) which include VR and CRP staff. To keep abreast of training needs, Oregon is considering monthly virtual meetings and quarterly in-person meetings with the CRPs.

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*Peer states have **certification/training requirements** in order for CRPs to provide services. To help CRPs meet those requirements, **most states provide training** either directly and/or through contracts with training organizations.*

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## Services to Underserved and Unserved Clients

Each state mentioned the difficulty of recruiting providers both in rural and urban areas. In rural areas, there are not enough referrals to be economically viable and in urban areas the cost of living and CRP wages work against finding sufficient staff. Washington policy allows for local rates; however, they have not used them to date. As part of outreach efforts to underserved and unserved clients, Oregon added a full time DEI Coordinator and Tribal Administrator on their leadership team. During the summer, Oregon recruits teachers to help with job coaching in all areas of the state and supports summer internships with two Rehabilitation Counseling programs to supplement staff in underserved and unserved areas of the state. Washington identified Customized Employment as a needed service to meet the needs of underserved and unserved clients. A CRP has multiple options to obtain the required training to provide Customized Employment - ACRE training, Highline Community College course, WISE training, and CRP internal training if they can prove their course meets the competencies of the ACRE course.

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***Difficult to recruit** service providers for rural areas because of **low referrals and long distances**. Current rates do not cover the costs of providing service.*

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## Reimbursement for Travel Time and Mileage

Utah compensates providers for travel time to meet with customers. Oregon will pay for transportation costs for customers to access Pre-ETS services. Utah uses census information to determine rural and urban areas while Oregon is working on a method to identify “Rural”. They are considering using FAR codes for classifying urban and rural. Washington pays for time and mileage when the service delivery location is more than 50 miles from the CRP’s closest office to the appointment location.

## 4.4 Supplemental Information on Bonus/Incentive Rates

This section provides supplementary information on VR programs use of incentive/bonus rates to achieve their client employment goals. This information gives IDVR additional options to reach their business goals and program priorities.

### *Retention, Incentive, and Bonus Payments from Selected States*

**Table 4.4(1)** gives examples of how state VR programs use different types of payments to financially incentivize providers to support consumers to remain employed for at least 90 days.

**Table 4.4(1): Job Retention Payments in Other Selected States**

States	Closures
Tennessee	<ul style="list-style-type: none"> <li>Job Retention for 90 days for Job Placement (non-Supported Employment) <ul style="list-style-type: none"> <li>\$ 1,695 for Category 1 &amp; 2</li> <li>\$ 1,356 for Category 3 &amp; 4</li> </ul> </li> </ul>
Washington	<ul style="list-style-type: none"> <li>Job Retention – Disability Levels <ul style="list-style-type: none"> <li>Level 1 - \$1,656</li> <li>Level 2 - \$2,741</li> <li>Level 3 - \$3,551</li> <li>Level 4 - \$4,4642</li> </ul> </li> </ul>
Missouri	<ul style="list-style-type: none"> <li>90-day Retention for regular and IPS - \$2,400</li> <li>Customized Employment – 90-day employment - \$1,700</li> </ul>
Wisconsin	<ul style="list-style-type: none"> <li>\$1,600 - \$500 per month in months 1, 2, and \$600 in month 3</li> </ul>

**Table 4.4(2)** shows incentive payments by Indiana, Kentucky, New York, Tennessee, Ohio, Washington and Wisconsin to encourage job placements with higher wages, more hours of work and employer provided benefits or to reach underserved areas of the state. There are three notable approaches:

- 1) Indiana, Tennessee and Washington pay bonus payments to a CRP if a client starts a job at more than 30+ hours per week and/or the job has employer provided health care benefits.
- 2) Ohio and Wisconsin pay retention payments at three (3) different points in the retention period after a client obtains a job rather than a single payment at the end of 90 days on the job.
- 3) Washington pays mileage and travel time reimbursements for travel to locations farther than 50 miles from the closest VR office.
- 4) Wisconsin pays additional funds for a participant finding a job within 90 days of the original job placement purchase order. Ninety (90) days is less than the national VR average of 120-180 days.

**Table 4.4(2): Incentive/Bonus Payments**

States	Incentive/Bonus Payments
Indiana	<ul style="list-style-type: none"> <li>Performance Incentive Payments based on the number of criteria each customer meets               <ul style="list-style-type: none"> <li>Criteria:                   <ul style="list-style-type: none"> <li>Hourly wage - \$15.78/hour, or more</li> <li>Weekly hours worked – 30 hours/week or more</li> <li>Employer offered health insurance is available to participant</li> </ul> </li> <li>Payments                   <ul style="list-style-type: none"> <li>One criterion met - \$226</li> <li>Two criteria met - \$791</li> <li>Three criteria met - \$1,356</li> </ul> </li> </ul> </li> </ul>
Kentucky	<ul style="list-style-type: none"> <li>\$1,000 per consumer bonus if the consumer works at minimum 20 hours a week and at or above 52% of the average hourly earnings of all employed individuals in the state</li> </ul>
New York	<ul style="list-style-type: none"> <li>\$550 Incentive for the CRP based upon the hourly rate of pay worked by the participant for the last four weeks prior to case closure. The participant at a minimum must earn \$17 per hour in region 1 and \$15.70 in regions 2 and 3.</li> </ul>
Tennessee	<ul style="list-style-type: none"> <li>\$ 565 after 90 days employed and \$12+/hr and 30+ hrs per week</li> <li>\$ 226 if job has employer paid medical insurance</li> <li>Post-employment, additional placement - \$750 if participant loses job after VR closes case</li> </ul>
Ohio	<ul style="list-style-type: none"> <li>Retention payments at 30, 60 and 90 days. At each milestone, CRP receives \$426.90</li> <li>Bonus payments for a Rapid Job Placement (within 90 days of start of job search activities) of \$836.40</li> </ul>
Washington	<ul style="list-style-type: none"> <li>Travel Time - \$35/hr for a location farther than 50 miles from nearest staffed office location</li> <li>Mileage – if location is farther than 50 miles from nearest staffed office location</li> <li>Healthcare Coverage - \$722 if participant has a CIE job of 30+ hrs/week and it includes employer-provided healthcare benefits</li> <li>\$722 if participant gets a CIE job as a secondary outcome of Community Based Assessment</li> <li>\$722 if CIE job has employer provided benefits and a secondary outcome of Community Based Assessment</li> <li>\$375 Rural Area Bonus if the customer lives in a rural area and obtains a permanent, competitive, and integrated job</li> <li>\$375 Rural Area Bonus if the customer obtains a permanent, competitive, and integrated job in a rural area</li> </ul>
Wisconsin	<ul style="list-style-type: none"> <li>\$1,900 - Rapid Hire incentive payment if hire date is within 90 days of original job development purchase order</li> <li>\$500 per month in months 1 and 2, and \$1,200 in month 3 for 35+ hours per week and employer provided health insurance benefits or 35+ hours per week and \$12.00 hour.</li> </ul>



States	Incentive/Bonus Payments
Wisconsin - Partners In Business	<ul style="list-style-type: none"> <li>The CRP receives the rate for monitoring the job placement and the employer receives a payment to offset its employee's time spent developing and enhancing natural supports for the consumer/employee.</li> <li>First Month of Employer Supports - \$1,075 to the provider + coworker expense payable upon delivery of acceptable service and timely reports to DVR</li> <li>Follow Month(s) of Employer Support - \$375 to the provider + coworker expense payable upon delivery of acceptable service and timely reports to DVR</li> </ul>

Bonus options work best if they are being used. If they aren't used, they aren't helpful. PCG and Washington VR discussed Washington's experience with their bonus payments.

According to data supplied by Washington VR, 3-4% of participants find permanent jobs during a Community Based Assessment and approximately 4% to 6% of participants found jobs qualifying for the healthcare bonus.

### ***Certification Requirements to Provide Services***

**Table 4.4(3)** describes certification requirements for CRP staff who will provide services to VR clients in the selected states. VR research shows that certifications for rehabilitation services (i.e. Customized Employment) increases service quality. Because VR is more about workforce development than counseling/therapy and there are relatively few degrees in workforce development or rehabilitation counseling compared to other human services, VR agencies use certification requirements to ensure that CRP staff who do not have a degree in rehabilitation counseling or workforce development have the skills and competencies to successfully work with Vocational Rehabilitation clients. Notably, CRP-type staff proxies in the peer-state group shown in the table, where formalized certification requirements are in place, are shown in **Section 5.13.1 Market Salary Results** to earn higher average salaries.

**Table 4.4(3): Certification Requirement to Provide Services**

State	Certification Requirements to Provide Services
Washington	<ul style="list-style-type: none"> <li>Service providers/program staff must complete 13 training modules within 1 year of contract start.</li> <li>Newly hired employees are required to complete all 13 modules within 90 days of the employee's hire date.</li> <li>The CRP is responsible for verifying their employee has completed the required training.</li> </ul>
Utah	<ul style="list-style-type: none"> <li>Complete Workplace Supports Training – 5 modules over 8 hours</li> <li>Complete/hold ACRE Certification</li> <li>Complete Financial Literacy Training if CRP chooses to provide that service</li> </ul>
Oregon	<ul style="list-style-type: none"> <li>Job developers/service providers who work in contract administration must complete Job Placement Services Contract Overview</li> <li>Service providers who work directly with clients must complete Job Placement Services Direct Services</li> <li>Job developers must complete the Introduction to Supported Employment course (12-course series developed by Oregon's Office of Developmental Disabilities Services).</li> <li>CRP staff must annually complete 12 CEU credits</li> </ul>
Wisconsin	<ul style="list-style-type: none"> <li>Complete Annual Computer Security Awareness</li> <li>Take an Ethics course every five years.</li> <li>Complete service-specific training for each service provided.</li> <li>Wisconsin VR created the required training for each service.</li> </ul>

Indiana	<ul style="list-style-type: none"> <li>• CRP must have a national accreditation to provide Employment services (i.e. CARF, Council on Quality and Leadership for Persons with Disabilities, Joint Commission on Accreditation of Hospital Organizations, National Committee for Quality Assurance)</li> <li>• Service requirements usually include specialized training, certification (i.e. Interpreters), resume, references, curriculum planned for training services.</li> <li>• Work Based Learning has additional requirements like success rates and placement rates</li> </ul>
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### CRP Performance Metrics

**Table 4.4(4)** shows how other state VR agencies assess the performance of their CRP programs. Achieving competitive integrated employment for persons with significant disabilities involves a series of steps – some of those steps performed by the VR agency and some of those steps performed by the CRP. Collectively, that partnership between the VR agency and CRP leads to employment and achievement of the performance goals set by RSA. Performance metrics for both VR agency and CRP help the partnership track and understand how the employment process is working and where it needs to be changed or improved to continue to meet both the VR agency's goals and RSA's goals.

**Table 4.4(4): CRP Performance Metrics**

State	CRP Performance Metrics
Utah	<p>Metrics</p> <ul style="list-style-type: none"> <li>○ Total Job Placements</li> <li>○ Total Supported Employment Job Placements</li> <li>○ Average Days to Placement</li> <li>○ Placement Rate</li> <li>○ Total High-Quality Indicators (work 30+ {20+ for SE} hours a week; \$14 {\$10}/hr; Employer provided benefits, Days to Placement, STEM Occupation, Rural job)</li> <li>○ Customized Employment Placements</li> </ul> <p>Results are published annually on Utah VR public website</p>
Wisconsin	<ul style="list-style-type: none"> <li>• Specific performance measures for each service</li> <li>• Measures tend to be timeframes for steps or services to be completed especially timeliness of service</li> </ul>
New York	<p>Metrics embedded in provider contracts such as:</p> <ul style="list-style-type: none"> <li>• Percentage of participants employed</li> <li>• Days to employment</li> <li>• Hours working per week</li> <li>• Hourly wages earned</li> <li>• Timeliness of service provision</li> </ul> <p>Counselors have a rubric for assessing provider's performance on these metrics.</p> <p>District Office Manager/Counselor meets twice a year to review scores with each provider.</p>

## 5 RATE STUDY ANALYSIS

This section provides details on the separate analyses that were performed with collected cost collection survey data, case management data, and market salary data. A description of the data analysis process and overall results of the analysis are presented for each.

### 5.1 Submission Statistics

The submission stats are a preliminary analysis of all the completed surveys we received. We identified the IRS status, the program size, grand total expenses, # of direct staff FTEs (full time employees) and cost per FTE for each provider, as well as whether the provider was in the Boise Metro Area. The cost associated with each FTE, calculated by dividing the Grand Total Expenses by the # Direct Staff FTEs. For example, as you can see in the chart below, Community Connections is a large for-profit organization located in the Boise Metro Area, with total expenses of \$536,862.52, 10 FTE staff, and a cost per FTE of \$53,686.25.

**Table 5.1(1): Submission Statistics Overview**

CRPs who participated:	IRS Status	Boise Metro area	CRP Size	Grand Total Expenses
Community Connections	For-Profit	Yes	Large	\$ 536,862.52
Dawn Enterprises, Inc.	Non-Profit	No	Small	\$ 16,792.46
Northwest Center	Non-Profit	No	Small	\$ 126,083.50
Development Workshop, Inc.	Non-Profit	No	Small	\$ 216,052.09
Royal Journeys, LLC	For-Profit	No	Large	\$ 756,802.26
Transitions, Inc	For-Profit	No	Large	\$ 329,153.02
WITCO	Non-Profit	Yes	Small	\$ 484,277.00
Rise (formerly CPI)	Non-Profit	Yes	Large	\$ 263,443.00
The Arc, Inc.	Non-Profit	Yes	Small	\$ 63,357.00
Identity Career Services	For-Profit	Yes	Small	\$ 40,766.88
Opportunities Unlimited Inc.	Non-Profit	No	Small	\$ 136,919.63

A total of 11 CRP organizations participated in our study. Illustrated in **Table 5.1(2)**, large programs, which are programs that made over \$100,000 in revenue, made up 36% of submissions and small programs made up 64% of submissions. Providers in the Boise Metro Area represent 45% of providers and providers outside of the Boise Metro Area represent 55% of providers. This was determined using the addresses reported by providers in our survey. For-profit organizations accounted for 36% of participating providers while non-profits accounted for 64%.

**Table 5.1(2): Submission Statistics Breakdown by Program Size, Area, and IRS Status**

Program Size	%	# Submissions
Large	36%	4
Small	64%	7
<b>Total</b>	<b>100%</b>	<b>11</b>
Area	%	#
Boise Metro Area	45%	5
Not Boise Metro Area	55%	6
<b>Total</b>	<b>100%</b>	<b>11</b>

IRS Status	%	#
For-Profit	36%	4
Non-Profit	64%	7
<b>Total</b>	<b>100%</b>	<b>11</b>

**Table 5.1(3)** breaks out the total reported expenses by location. Seen below, more than half of all reported total expenses were incurred in areas outside of the Boise metro area.

**Table 5.1(3): Submission Statistics Area Breakdown**

Location	Grand Total Expenses	Index Value
<b>Boise Metro Area</b>	\$ 1,388,706.40	110
<b>Not Boise Metro Area</b>	\$ 1,581,802.96	93
<b>Total</b>	<b>\$ 2,970,509.36</b>	<b>100</b>

## 5.2 Revenue Analysis

In this revenue analysis, PCG examined the income generated by a CRP for FY 23 to examine key revenue sources, trends, and potential areas for growth or improvement. We evaluated each revenue stream that service providers identified in their survey, the relative contribution of each revenue stream to overall revenue, and statistical measures such as mean, median, and standard deviation. This comprehensive revenue analysis can help stakeholders make informed decisions about rate development and strategic planning.

**Table 5.2(1): Revenue for All Providers**

Revenue Type	Number of Submissions	Total	Mean	Median	Min	Max
Assessment Services	11	\$311,519	\$28,320	\$19,903	\$6,469	\$97,872
Benefits Planning	11	\$153,876	\$13,989	\$0	\$0	\$103,576
General VR Job-Related Supports	11	\$434,451	\$39,496	\$20,209	\$1,165	\$156,439
Pre-Employment Transition Services	11	\$195,739	\$17,794	\$5,794	\$0	\$116,729
Supported Employment	11	\$630,206	\$57,291	\$14,663	\$0	\$283,235
Grants (e.g., federal, state, local or private entity)	11	\$0	\$0	\$0	\$0	\$0
Monetary Donations	11	\$0	\$0	\$0	\$0	\$0
In Kind	11	\$0	\$0	\$0	\$0	\$0
Other	11	\$8,192	\$745	\$0	\$0	\$8,192
<b>Total</b>		<b>\$1,733,983</b>				
<i>Per Customer Served</i>			\$345		\$6	\$107

The lowest revenue sources in our analysis of all providers includes grants, donations, and other (0.47% of total revenue). Revenue from Supported Employment was the largest source of revenue for large providers and Assessment Services was the largest revenue source among small providers.

**Table 5.2(2): Revenue for Small CRPs**

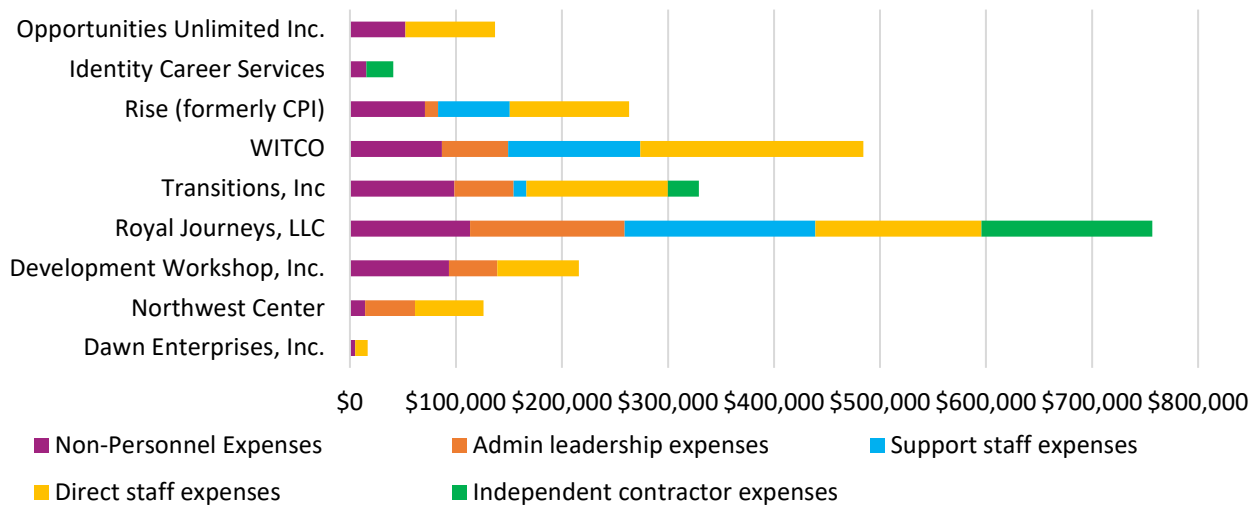
Revenue Type	Number of Submissions	Total	Mean	Median	Min	Max
<b>Small CRPs</b>						
Assessment Services	7	\$10,923	\$15,846	\$10,625	\$6,469	\$39,064
Benefits Planning	7	\$0	\$0	\$0	\$0	\$0
General VR Job-Related Supports	7	\$99,130	\$14,161	\$7,969	\$1,165	\$52,695
Pre-Employment Transition Services	7	\$17,749	\$2,536	\$0	\$0	\$9,293
Supported Employment	7	\$71,412	\$10,202	\$10,131	\$0	\$23,307
Grants (e.g., federal, state, local or private entity)	7	\$0	\$0	\$0	\$0	\$0
Monetary Donations	7	\$0	\$0	\$0	\$0	\$0
In Kind	7	\$0	\$0	\$0	\$0	\$0
Other	7	\$8,192	\$1,170	\$0	\$0	\$8,192
<b>Total</b>		<b>\$307,406</b>				
<i>Per Customer Served</i>		\$273				

**Table 5.2(3): Revenue for Large CRPs**

Revenue Type	Number of Submissions	Total	Mean	Median	Min	Max
<b>Large CRPs</b>						
Assessment Services	4	\$200,596	\$50,149	\$38,461	\$25,802	\$97,872
Benefits Planning	4	\$153,876	\$38,469	\$25,150	\$0	\$103,576
General VR Job-Related Supports	4	\$335,321	\$83,830	\$68,175	\$42,532	\$156,439
Pre-Employment Transition Services	4	\$77,990	\$44,497	\$26,492	\$8,277	\$16,729
Supported Employment	4	\$558,794	\$139,699	\$105,491	\$64,577	\$283,235
Grants (e.g., federal, state, local or private entity)	4	\$0	\$0	\$0	\$0	\$0
Monetary Donations	4	\$0	\$0	\$0	\$0	\$0
Revenue - In Kind	4	\$0	\$0	\$0	\$0	\$0
Revenue - Other	4	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$1,426,577</b>					
<i>Per Customer Served</i>	\$1,265					

### 5.3 Expenses Analysis

The chart below shows our analysis of provider expenses. Each provider's total expenses is represented by the entire bar. Each bar is categorized by color to indicate the types of expenses. As shown in the chart below, each provider reported different expense types. For example, only 4 providers reported expenses for Independent Contractors.

**Figure 5.3(1): Total Expenses for all Providers**

**Table 5.3(1)** below shows our final expense analysis for total CRP expenses. Community Connections and The Arc expenses have been removed from the analysis because of discrepancies between their expenses reported on their cost collection survey and expenses reported during PCG quality assurance analysis of their supplemental financial materials.

**Table 5.3(1): Expenses for all CRPs**

Expense Type	# Responses	Total	Mean	Min	Max	StdDev
<b>All CRPs</b>	<b>11</b>					
Administrative Leadership Salaries	7	\$365,397.64	\$33,217.97	\$0.00	\$131,736.61	\$39,307.21
Administrative Leadership: Taxes & Fringe	7	\$86,050.57	\$7,822.78	\$0.00	\$28,717.36	\$9,209.94
Support Staff Salaries	5	\$601,125.07	\$54,647.73	\$0.00	\$268,620.00	\$89,145.14
Support Staff: Taxes & Fringe	5	\$135,269.74	\$12,297.25	\$0.00	\$83,270.91	\$25,009.77
Direct Service Staff Salaries	10	\$782,740.44	\$71,158.22	\$0.00	\$147,040.00	\$49,503.77
Direct Service Staff: Taxes & Fringe	9	\$153,864.49	\$13,987.68	\$0.00	\$63,207.00	\$17,618.12
Independent Contractor Costs	4	\$217,037.83	\$19,730.71	\$0.00	\$161,205.23	\$48,165.10
<b>Total</b>		<b>\$2,341,485.78</b>				

**Table 5.3(2)** below shows our analysis for small providers. Administrative costs are over 50% of overall expenses for small CRPs.

**Table 5.3(2): Expenses for Small Providers**

<b>Expense Type</b>	<b># Responses</b>	<b>Total</b>	<b>Mean</b>	<b>Min</b>	<b>Max</b>
<b>Small CRPs</b>	<b>7</b>				
Administrative Leadership Salaries	3	\$120,123.56	\$17,160.51	\$0.00	\$46,250.00
Administrative Leadership: Taxes & Fringe	3	\$35,566.46	\$5,080.92	\$0.00	\$16,460.00
Support Staff Salaries	1	\$99,404.00	\$14,200.57	\$0.00	\$99,404.00
Support Staff: Taxes & Fringe	1	\$25,242.00	\$3,606.00	\$0.00	\$25,242.00
Direct Service Staff Salaries	6	\$386,689.68	\$55,241.38	\$0.00	\$147,040.00
Direct Service Staff: Taxes & Fringe	5	\$103,259.74	\$14,751.39	\$0.00	\$63,207.00
Independent Contractor Costs	2	\$26,657.50	\$3,808.21	\$0.00	\$25,317.50
<b>Total</b>		<b>\$796,942.94</b>			

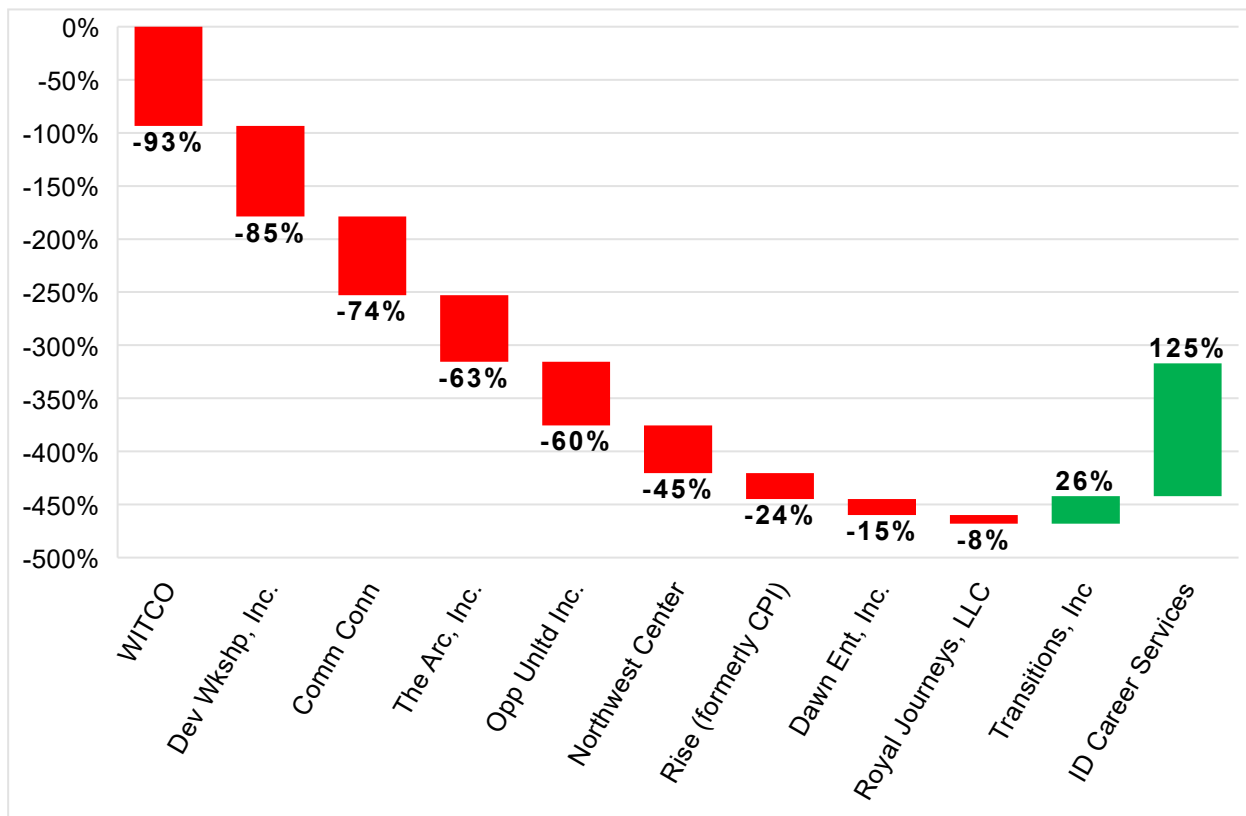
**Table 5.3(3)** below shows our analysis for large providers. Administrative costs are just over 43% for large CRPs.

**Table 5.3(3): Expenses for Large CRPs**

<b>Expense Type</b>	<b># Responses</b>	<b>Total</b>	<b>Mean</b>	<b>Min</b>	<b>Max</b>
<b>Large CRPs</b>	<b>4</b>				
Administrative Leadership Salaries	4	\$245,274.08	\$61,318.52	\$11,253.00	\$131,736.61
Administrative Leadership: Taxes & Fringe	4	\$50,484.11	\$12,621.03	\$1,115.00	\$28,717.36
Support Staff Salaries	4	\$501,721.07	\$125,430.27	\$9,325.01	\$268,620.00
Support Staff: Taxes & Fringe	4	\$110,027.74	\$27,506.94	\$2,969.39	\$83,270.91
Direct Service Staff Salaries	4	\$396,050.76	\$99,012.69	\$39,697.62	\$141,507.94
Direct Service Staff: Taxes & Fringe	4	\$50,604.75	\$12,651.19	\$4,300.68	\$20,388.26
Independent Contractor Costs	2	\$190,380.33	\$47,595.08	\$0.00	\$161,205.23
<b>Total</b>		<b>\$1,544,542.84</b>			

## 5.4 Solvency Analysis

**Figure 5.4(1)** below shows our initial solvency analysis for all CRPs. The purpose of the solvency analysis is to assess expenses and compare them to revenues. Solvency ratios were used to demonstrate a CRPs cashflow and their financial health. Revenue and expense information were pulled from the CRP survey. Transitions and Identity Career Services are solvent; however, the other 9 CRPs are insolvent (red). WITCO and Development Workshop, Inc. have the largest insolvency ratio.

**Figure 5.4(1): Solvency Ratios for all CRPs**

Personnel expenses are the overall explanation for the insolvency our analysis showed for the 9 insolvent providers. As the chart below shows, 7 of the 9 insolvent CRPs reported personnel expenses that far outpace their revenues for their VR programs (highlighted in pink with red text). Most of these CRPs offer programs other than just vocational rehabilitation so it is possible that some providers conflate their total personnel costs with their total organization costs. However, PCG specifically instructed CRPs to only report data for their VR programs in our survey. PCG analysts also followed up with each CRP individually to clarify inconsistencies in the reported data and supplemental financial materials and were assured that all data provided was solely for VR programs. This step of the quality assurance process supports the accuracy of the analysis.

**Table 5.4(1): Solvency Analysis and Personnel Expenses**

CRPs who Participated:	Revenues	Personnel Expenses	Total Expenses	Solvency	Solvency Ratio
WITCO	\$31,938.19	\$397,603.00	\$484,277.00	-\$452,338.81	<b>-93%</b>
Development Workshop, Inc.	\$31,388.28	\$122,801.50	\$216,052.09	-\$184,663.81	<b>-85%</b>
The Arc, Inc.	\$16,417.57	\$43,106.00	\$63,357.00	-\$46,939.43	<b>-74%</b>
Opportunities Unlimited Inc.	\$51,258.07	\$84,570.26	\$136,919.63	-\$85,661.56	<b>-63%</b>
Community Connections	\$215,258.10	\$477,715.57	\$536,862.52	-\$321,604.42	<b>-60%</b>
Northwest Center	\$69,212.50	\$111,844.50	\$126,083.50	-\$56,871.00	<b>-45%</b>
Royal Journeys, LLC	\$573,308.38	\$643,550.18	\$756,802.26	-\$183,493.88	<b>-24%</b>



Rise (formerly CPI)	\$223,436.00	\$192,683.00	\$263,443.00	-\$40,007.00	<b>-15%</b>
Dawn Enterprises, Inc.	\$15,432.75	\$11,700.18	\$16,792.46	-\$1,359.71	<b>-8%</b>
Transitions, Inc	\$414,574.60	\$230,594.09	\$329,153.02	\$85,421.58	<b>26%</b>
Identity Career Services	\$91,758.76	\$25,317.50	\$40,766.88	\$50,991.88	<b>125%</b>

**Table 5.4(1)** shows the solvency of the 11 CRPs who participated in the study. For CRPs who reported significant insolvency such as: WITCO, Development Workshop, and Community Connections, PCG noted some discrepancies between the expenses and revenues reported on their cost collection survey and expenses reported during PCG quality assurance analysis of their supplemental financial materials and 990 forms. The WITCO salary data is reasonable, however they noted losses in their VR program for which exact figures are not available. Development Workshop does have the highest admin allocation. However, the rest of their expenses seem to be proportional to their organization size and FTEs, with perhaps the exception that we would expect them to pay direct care staff more. Community Connections reported support staff salaries that were much higher than their revenues and then other types of staff salaries.

## 5.5 Customers Served Analysis

Participating CRPs reported serving 1,128 unique customers during the FY23 reporting period. Of the participating CRPs, Royal Journeys, LLC reported serving the largest number of unique customers at 311, or 27.57% of the unique customers reported by participating CRPs. Similarly, of the participating CRPs, Dawn Enterprises, Inc. reported serving the least number of unique customers. This aligns with the revenue CRPs reported, with Royal Journey's LLC reporting the greatest number of unique customers served and the largest reported VR revenue, and Dawn Enterprises reporting the least number of unique customers served and the lowest reported VR revenue.

**Table 5.5(1): Customers Served per CRP**

<b>CRP</b>	<b>Unique Number of Customers Served</b>	<b>% of Reported Customers</b>
Community Connections	103	9.13%
Dawn Enterprises, Inc.	12	1.06%
Development Workshop, Inc	23	2.04%
Identity Career Services	89	7.89%
Northwest Center	58	5.14%
Opportunities Unlimited Inc.	32	2.84%
Rise (formerly CPI)	191	16.93%
Royal Journeys, LLC	311	27.57%
The Arc, Inc.	26	2.30%
Transitions, Inc	252	22.34%
WITCO	31	2.5%
<b>Total</b>	<b>1,128</b>	<b>100%</b>

Participating CRPs reported serving customers in all eight former VR service regions, seen in **Table 5.5(2)**. In the former VR service region Idaho Falls, CRPs reported serving 260 unique customers during this period, ranking it as the former VR service region with the highest unique customers served. The former VR service region, Idaho Falls, is then followed by Treasure Valley Central with 246 unique customers served, Twin Falls with 178 unique customers, and Coeur D'Alene with 120 unique customers served. CRPs reported serving the least number of unique customers in the former VR service region of Lewiston, which is recognized by IDVR as an underserved area.

**Table 5.5(2): Customers Served per Former VR Service Region**

<b>Former VR Service Region</b>	<b>Unique Number of Customers Served</b>	<b>% of Reported Customers</b>
Coeur D'Alene	120	10.64%

Former VR Service Region	Unique Number of Customers Served	% of Reported Customers
Lewiston	55	4.88%
Treasure Valley Central	246	21.81%
Twin Falls	178	15.78%
Pocatello	80	7.09%
Idaho Falls	260	23.05%
Treasure Valley West	89	7.89%
Treasure Valley East	100	8.87%
<b>Total</b>	<b>1,128</b>	<b>100%</b>

## 5.6 Travel Analysis

In total, CRPs reported traveling over 3,000 miles and 4,800 minutes per week across the state of Idaho to provide direct services to IDVR customers. In general, large CRPs reported traveling more miles, and spent more time per week traveling than small CRPs, with their staff traveling more than 2,000 miles per week, or 2,500 minutes to provide direct services to IDVR customers.

**Table 5.6(1): Reported Travel by CRP**

CRP	Total Miles Traveled Per Week	Total Time Spent Traveling Per Week in Minutes	CRP Size
Community Connections	400.00	1,200.00	Large
Dawn Enterprises, Inc.	1.00	20.00	Small
Development Workshop, Inc	71.00	240.00	Small
Identity Career Services	114.00	285.00	Small
Northwest Center	168.81	120.00	Small
Opportunities Unlimited Inc.	18.00	45.00	Small
Rise (formerly CPI)	72.30	144.50	Large
Royal Journeys, LLC	1,400.00	1,261.00	Large
The Arc, Inc.	50.00	80.00	Small
Transitions, Inc	204.50	233.00	Large
WITCO	600.00	1,200.00	Small
<b>Total</b>	<b>3,099.61</b>	<b>4,828.50</b>	

Across participating CRPs, CRPs reported providing services to IDVR customers in all eight former VR service regions. CRPs reported traveling the most miles and spent the most time traveling in the former VR service region, Treasure Valley Central, to provide direct services to IDVR customers. CRPs who reported providing services in this region in total are traveling over 600 miles per week and more than 1,000 minutes per week traveling to provide direct services. Alternatively, two CRPs reported providing services in the former VR service region, Lewiston. The small travel in this region may be a result of one CRP solely providing remote services.

**Table 5.6(2): Reported Travel by Former VR Service Region**

Former VR Service Region	Total Miles Traveled Per Week	Total Time Spent Traveling Per Week in Minutes
Coeur D'Alene	268.81	420
Lewiston	18.00	45
Treasure Valley Central	636.70	1082.4
Twin Falls	426.60	699.1
Pocatello	264.50	492
Idaho Falls	384.00	560
Treasure Valley West	613.00	835

Former VR Service Region	Total Miles Traveled Per Week	Total Time Spent Traveling Per Week in Minutes
Treasure Valley East	488.00	695
<b>Total</b>	<b>3,099.61</b>	<b>4,828.5</b>

## 5.7 FTE & Personnel Analysis

The cost collection survey included a personnel roster table for CRPs to complete. For CRP staff that provide VR services, the purpose of the personnel roster is to capture staff wages, independent contractor wages, and employee-to-independent contractor ratios.

The personnel roster captured the following CRP personnel data:

- Name, staff type, job title, highest education attained, and staff certification or licensures of personnel
- Total hours worked by personnel annually and the percentage of that time dedicated to the VR program
- Total annual salary and fringe benefits paid for each personnel

PCG used data regarding 192 employees and independent contractors across participating CRPs. The rosters were key in developing the reported average salaries, as they isolated the number of hours and amount paid to individual personnel. This allowed PCG to calculate hourly wages for staff regardless of their tenure with the agency. In addition to the number of hours and wages paid to individual personnel, the rosters also captured the amount of fringe paid to each reported employee (for whom fringe was paid in FY 23). A number of staff roles were combined due to low reporting and similarities in roles. These staff roles include the Employment Specialist, Employment Consultant, and Job Developer roles, or ES/EC/JD.

On average, when they were paid, CRPs reported paying fringe benefits at 14% of staff salary. Generally, there was a trend in both average hourly salary and average fringe paid, where small CRPs offered higher hourly wages and more generous fringe benefits. Additionally, we expect to see independent contractors' hourly salaries higher than employees', but that they have no fringe, as independent contractor rates are meant to include fringe benefits. **Table 5.7(1)** below shows that independent contractors are not being paid fringe but they also, in general, had a higher hourly salary than employees.

**Table 5.7(1): Personnel Salary & Fringe Analysis**

Category	n	Mean Hourly	Mean Annual Equiv.	Mean Fringe*
Total System	192	\$16.65	\$34,640	14%
<b>CRP Size</b>				
Small (<\$100,000)	42	\$20.85	\$43,362	28%
Large (>\$100,000)	150	\$15.48	\$32,197	10%
<b>Staff Status</b>				
Full-time	77	\$18.00	\$37,440	20%
Part-time	100	\$14.39	\$29,938	10%
Independent Contractor	15	\$24.81	\$51,612	0%
<b>Role Category</b>				
Director	6	\$33.86	\$70,427	26%
ES/EC/JD	43	\$19.50	\$40,555	15%
Job Coach	123	\$14.38	\$29,906	12%
Job Coach Supervisor	10	\$16.16	\$33,621	22%
Program Manager	4	\$26.73	\$55,588	29%
Admin/Support Staff	5	\$18.58	\$38,656	38%
Vocational Evaluator	1	\$26.00	\$54,085	0%
<i>*Mean Fringe when fringe was reported</i>				

## 5.8 Case Management Analysis

As part of the analysis, the PCG team conducted a comprehensive analysis of FY 2019 – 2023 case management data. The analysis includes a review of payments by fiscal year, unique customers served, and the geographic distribution of both IDVR customers and CRPs. PCG analyzed the case management data provided by IDVR to:

1. Understand the current trends in service utilization and payments made for each service type.
2. Conduct a fiscal impact analysis to determine the amount IDVR paid for each service type to compare the impact of the proposed rates to show forecasted expenditures. For more information on the fiscal impact analysis, please refer to [Section 6.1.4 - Overall Fiscal Impact](#)
3. Conduct a geographic analysis using Tableau visualizations, as well as other sources to review the geographic reach of CRPs across the state of Idaho. For more information on the geographic analysis, please refer to [Section 5.9 - Geographic Analysis](#).

The following includes an analysis of service authorization payments during FY 2019 – 2023. During this period, IDVR made \$10,070,363.37 in service authorization payments across the service types included in the analysis. **Table 5.8(1)** illustrates the total payments made across fiscal years for each service type included in the analysis. The greatest payments across all five fiscal years occurred in FY19, prior to the Covid Pandemic, with expenditures totaling \$2,458,441.10.

**Table 5.8(1): Payments Over Time by Fiscal Year**

Service	FY19	FY20	FY21	FY22	FY23
Assessment: CBWE	\$603,114.50	\$396,130.55	\$308,303.00	\$254,745.50	\$299,918.97
Assessment: CBWE Report Writing	N/A	N/A	N/A	\$8,355.00	\$972.00
Assessment: CBWE Site Development	\$208,587.25	\$110,668.95	\$87,373.48	\$69,339.86	\$77,296.12
Assessment: Staffing	\$45,943.75	\$40,785.35	\$39,479.15	\$39,738.75	\$38,529.00
Job Search Assistance	\$583,049.35	\$496,712.56	\$491,295.24	\$350,690.10	\$384,954.92
Job Supports - Short Term	\$321,634.25	\$246,241.03	\$291,916.09	\$251,691.25	\$189,568.25

Supported Employment - Job Coaching	\$676,920.95	\$695,913.30	\$773,403.80	\$802,676.03	\$811,427.43
Training: Job Readiness	\$19,191.05	\$14,847.55	\$19,047.29	\$12,962.75	\$7,911.00
<b>Total</b>	<b>\$2,458,441.10</b>	<b>\$2,001,299.29</b>	<b>\$2,010,818.05</b>	<b>\$1,781,844.24</b>	<b>\$1,817,960.69</b>

**Table 5.8(2)** illustrates the number of unique customers served, and CRPs across FY 2019 – 2023 for the service types included in the analysis. Illustrated below, there was a decline in FY 20 in both the number of unique customers served, and the number of CRPs providing the service types included in the analysis, possibly due to the Covid Pandemic. The number of CRPs providing the service types included in the analysis are identified by their Vendor Federal ID number. Generally, the number of CRPs providing services in Idaho has remained constant across fiscal years, but has slightly decreased since FY19, prior to the Covid Pandemic. Since the service dip, possibly due to Covid, the unique count of customers served and number of CRPs providing the service types included in the analysis have yet to return to pre-pandemic levels.

**Table 5.8(2): Unique Customers Served and CRPs Across Fiscal Years**

Fiscal Year	Number of Unique Customers Served	CRPs Across Fiscal Years
FY19	1,862	35
FY20	1,580	33
FY21	1,383	31
FY22	1,143	28
FY23	1,004	32

Illustrated below in **Table 5.8(3)**, there has been a decline since FY19 in the total service units across the services included in the analysis. This decrease in service units may be a result of the Covid Pandemic. As shown below, the total number of service units across fiscal years have yet to reach pre-pandemic levels. Shown below, supported employment – job coaching has the highest number of authorized service units across fiscal years with 93,315 units or 30% of the overall units authorized across services included in the analysis between FY 2019 – 2023.

**Table 5.8(3): Service Units Across Fiscal Years**

<b>Service</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
Assessment: CBWE	15,379	10,013	7,717	6,447	6,616
Assessment: CBWE Report Writing					166
Assessment: CBWE Site Development	9,188	5,790	4,655	3,740	4,797
Assessment: Staffing	1,027	928	867	835	809
Job Search Assistance	20,839	19,189	17,654	13,757	13,582
Job Supports -- Short Term	9,663	8,295	9,080	7,436	5,727
Training -- Job Readiness	747	724	741	680	411
Supported Employment -- Job Coaching	16,953	17,761	19,220	19,864	19,517
<b>Total</b>	<b>73,795</b>	<b>62,699</b>	<b>59,933</b>	<b>52,758</b>	<b>51,623</b>

**Table 5.8(4)** illustrates the total number of customers served between FY 2019 – 2023 for the service types included in the analysis. Job Search Assistance ranks in the highest number served with 9,452 customers, or 33% of all customers served. Alternatively, Assessment: CBWE Report Writing first became a billable service in FY 23, thus no customers were served between FY 2019 – 2022.

**Table 5.8(4): Total Customers Served Across Fiscal Years**

<b>Service</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
Assessment: CBWE	898	603	459	363	348
Assessment: CBWE Report Writing					163
Assessment: CBWE Site Development	1,069	668	579	455	392
Assessment: Staffing	1,012	919	866	828	770
Job Search Assistance	2,292	2,187	2,156	1,484	1,333

Service	FY19	FY20	FY21	FY22	FY23
Job Supports -- Short Term	989	772	787	532	369
Training -- Job Readiness	92	89	90	85	54
Supported Employment -- Job Coaching	914	993	1,090	978	856
<b>Total</b>	<b>7,266</b>	<b>6,231</b>	<b>6,027</b>	<b>4,725</b>	<b>4,285</b>

**Table 5.8(5)** illustrates the average service units for MSD customer in FY 23 for each of the service types included in the analysis. Seen below, the average service units for MSD customers receiving Supported Employment – Job Coaching is significantly higher than all other services customers with a MSD receive. The higher number of average service units for customers with a MSD receiving Supported Employment – Job Coaching may represent greater CRP effort to serve customers experiencing greater barriers to employment.

**Table 5.8(5): FY 23 Average Service Units for Most Significantly Disability (MSD) Customers by Service Type**

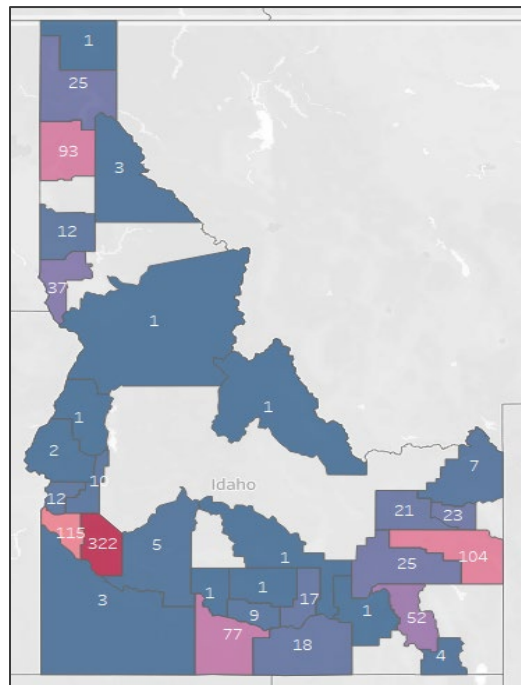
Service	MSD Average Units
Assessment: CBWE	19
Assessment: CBWE Report Writing	1
Assessment: CBWE Site Development	12
Assessment: Staffing	1
Job Search Assistance	10
Job Supports - Short Term	16
Supported Employment - Job Coaching	23
Training: Job Readiness	8

## 5.9 Geographic Analysis

PCG analyzed FY 2019 – 2023 case management data for the service types included in the analysis. The geographic analysis consisted of using both IDVR customer and CRP geographic information to determine

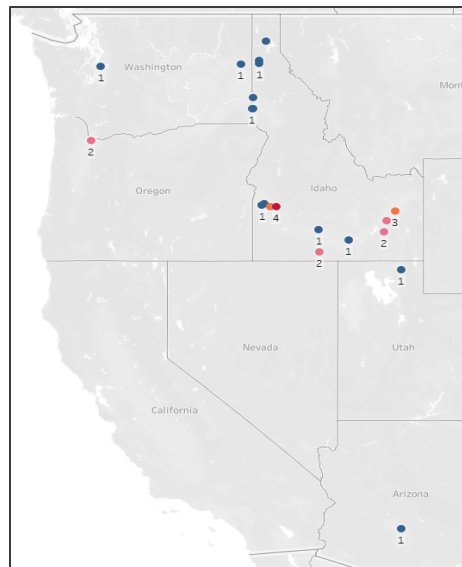
their locations in Idaho, and the country. The geographic distribution analyzed the distinct count of customers by county and CRPs by city throughout the state of Idaho and the country.

**Figure 5.9(1)** illustrates the unique customers served during the FY23 reporting period. CRPs in Ada County served 322 customers during this period, ranking it as the county with the most customers served by the set of contracted services in the state of Idaho. Ada County is then followed by Canyon County with 115 customers, Bonneville County with 104 customers, and Kootenai County with 93 customers. The central area of the state has a lower population density of residents and therefore has less customers served by IDVR. There were several counties in which there were no customers served in FY23. These counties include Bear Lake, Benewah, Boise, Butte, Camas, Caribou, Clark, Clearwater, Cluster, Lewis, Oneida, Teton, and Valley counties.





**Figure 5.9(2): FY 2023 Contracted Services Geographic Distribution of CRPs**



Under the current hourly rate structure, the Assessment services are the only services where non-direct service time (i.e., time spent working on the client's case, but not directly with the client) may be billed directly to IDVR. Therefore, actual non-direct service time for Assessment services (i.e., CBWE Report Writing, CWBE Staffing, and Assessment – Staffing) was known to IDVR, based on case management data for hours billed to IDVR. During stakeholder focus groups, CRP staff reported that all services provided for IDVR require some non-direct service time, despite this time only being allowable for Assessment services. Under the current hourly rate structure, non-direct service time is unallowable for non-assessment services (i.e., Job Search Assistance, Job Supports – Short Term, Supported Employment – Job Coaching, and Training – Job Readiness), therefore no data was available to measure the non-direct service time investment. Time study questions were included in the cost collection survey to measure CRP's average service hours, both direct and non-direct, for each VR service. This data was used to capture and calculate the average proportion of non-direct service time spent, based on the average direct service time.

**Table 2: Average Non-Direct Time Proportion for Non-Assessment Services**

IDVR Service without Billable Non-Direct Service Time	Median Direct Hours	Median Non-Direct Hours	Median Total Hours	% Time Direct Service	% Time Non-Direct Service
Training – Job Readiness	3.00	1.00	4.00	75.00%	25.00%
<b>Total – All Services</b>	<b>82.19</b>	<b>13.50</b>	<b>95.69</b>	<b>85.89%</b>	<b>14.11%</b>

The overall average proportion of non-direct service time (i.e., 14%) shows that over the life of an applicable case (i.e., services with proposed flat fee or milestone rate types), the additional non-direct service time investment that CRP staff invest is equal to, on average, 14% of the direct service time invested over the life of the case. Therefore, since the total direct service time is known, (e.g., reported in case management data), the average total time invested for the service can be calculated with the following formula:

- **Total Service Time** = Total Direct Service Hours + (Total Direct Service Hours X 14% Non-Direct Service Hours)
- **EXAMPLE:** Direct Service Time for Training – Job Readiness case = 14 hours
  - Total Service Time = 14 hours + (14 hours X 14%)
  - Total Service Time = 15.96 hours

Beyond using time study data to calculate the average proportion of non-direct service time, PCG conducted a comparative analysis of time study data from the cost collection survey and case management data. This analysis showed that case management data, which represented at least 32 CRPs across multiple fiscal years, and time study data yielded the most similar values for direct service hours when an average was taken across FY2019-FY2023. However, IDVR reported that FY2023 case management data for most-significantly disabled (MSD) customers is more representative of current and future needs of IDVR customers than average data across all disability priorities over the past five fiscal years. Following that discussion, time study data was also compared to FY2023 MSD-tier data. The average direct and total times for each service across the two data sources (time study (TS) data and case management (CM) data) and the variance between the sources is shown in **Table 5.10(2)** below.

**Table 3: Comparative Analysis of Time Study Total Time Estimates and Calculated Total Time from FY2023 MSD-Tier Case Management Data**

VR Service	Total Time (TS Data)	FY23 MSD Units (CM Data)	Total MSD Units (CM Data)	Variance
<b>Assessment Services</b>				
Assessment: CBWE	17*	19	21	24.49%
Assessment: CBWE Report Writing	2*	1	1	(41.30%)
Assessment: CBWE Site Development	8*	12	14	74.06%
Assessment: Staffing	1*	1	1	14.34%
<b>General VR Job-Related Support Services</b>				
Job Search Assistance	11	10	12	0.92%
Job Supports – Short Term	30	16	19	(37.04%)
Training – Job Readiness	3	8	9	167.95%
<b>Supported Employment</b>				
Supported Employment – Job Coaching	30	23	26	(11.81%)

\*Total time equals average time reported in time study data with no added proportion (14%) of non-direct time.

Time study data's alignment with FY2023 MSD-tier case management data varied: 4 out of 8 services (50%) had a total time variance of under 25% between the two data sources, while the other 4 services' total time variance ranged from 37-168% (positive or negative). More importantly, variance was positive for 5 out of 8 services when considering the difference in MSD-tier FY2023 case management data to time study data. For those services that showed a reduction in time units when using MSD-tier case management data with the added 14% non-direct time addition (i.e., negative variance in the table above), it is assumed that the overall effect of the negative variance will be minimal for the following reasons:

1. Assessment - CBWE Report Writing MSD-tier case management data total units were 41% lower than time study data average reported time to complete the service, but the actual difference in units is 1 hour. Since the units are so low for this service, across both data sources, variance of even 1 unit appears significant when presented in percentage format.
2. Job Supports – Short Term MSD-tier case management data total units were 37% lower than time study data average reported time to complete the service, but case management data does reflect a steady, year-over-year increase in average units to complete the service, with a 60% increase between FY2019 and FY2023. Data shows that average units needed to complete this service are on the rise and by using the most recent data (i.e., FY2023), focusing on the MSD disability priority, and adding a 14% assumed non-direct proportion of time, we are capturing the most up-to-date and most data-supported estimate of required service hours across all 32 participating CRPs. Time study data was limited to 10 participating CRPs, 9 of whom reported values were estimates.
3. Supported Employment – Job Coaching MSD-tier case management data total units were 12% lower than time study data average reported time to complete the service; however, the proposed rate structure for this service remains an hourly rate setting. Variance in estimated total time to complete the service across data sources will not affect the rate build up calculation for this service, as duration of the service will not be applied to the rate calculation.

Due to the FY2023 MSD-tier case management data representing the most current data across all 32 participating CRPs, it's general alignment with time study results, and the trend for this data to yield higher total service hours (compared to time study data, except for in the three services discussed above), IDVR and PCG made the decision to utilize the "Total MSD Units" (from **Table 5.10(2)** above) as the service unit component when calculating flat fee or milestone rates (discussed further in **Section 6.3: Flat Fee and Milestone Rate Calculations**).

## 5.11 Vacation & PTO Analysis

The cost collection survey captured each provider's paid non-working time, in the form of holidays, vacation days, and sick days. Providers who provide general paid non-working days, rather than vacation and sick days, were asked to report time in the vacation time category. Nine of 11 provider respondents indicated paid non-working days, of any type are offered; however, one provider who does not offer paid non-working days employs no full-time, non-independently contracted staff. Therefore, the total applicable provider respondent pool for this question was 10 CRPs. Nine of 10 applicable provider respondents (90%) reported offering any type of paid non-working days.

Respondent CRPs provide an **average of 32 paid non-working days annually**, when paid non-working days are considered as a whole (i.e., all paid time for holidays, vacation days or general PTO, or sick days). This average excludes the two provider respondents who reported providing zero paid non-working days.

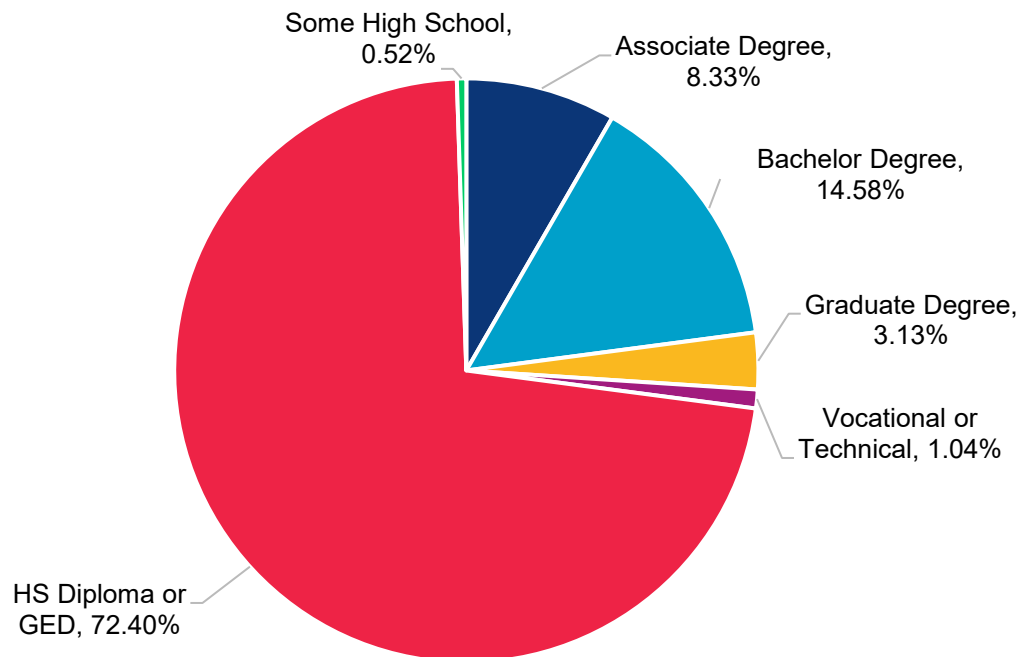
**Table 5.11(1)** shows the average number of paid holidays, vacation days, and sick days provided for individual staff across the 10 applicable provider respondents. The average excludes the two provider respondents who reported providing zero paid non-working days.

**Table 5.11(1) Paid Time Off**

<b>Paid Time Off</b>	<b># Days</b>
Holidays (Federal, Postal, etc.)	9.07
Vacation Days (Or PTO if they are combined)	18.59
Sick Days (if separate from Vacation)	9.72

## 5.12 Provider Certification Requirements Analysis

Across the 11 provider agencies, 192 employees and contractors were included in the analysis. Provider respondents provided data regarding the highest level of education for each staff. The highest level of education across the 192 staff ranged from some high school to graduate degree. **Figure 5.12(1)** details the highest level of educational attained by provider staff.

**Figure 5.12(1): Percent of Total CRP Staff by Education Level**

Notably, most CRP staff (72%) hold a high school diploma or General Education Degree (GED) while approximately 1 out of 4 (27%) CRP staff hold a college degree of some type.

The number and percentage of staff in each category of highest education attained are presented with the average salary for each group in **Table 5.12(1)** below. The variance in salary from the overall mean salary is also presented.

**Table 4: Number and Percent of CRP Staff and Average Salary, by Highest Level of Education**

<b>Highest Level of Education Attained</b>	<b>Number of Staff</b>	<b>% of Total Staff</b>	<b>Mean Hourly Salary</b>	<b>Mean Annual Salary</b>	<b>Variance from Overall Mean Salary</b>	<b>% Variance</b>
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Associate Degree	16	8.33%	\$15.42	\$32,071	(\$2,569)	(7.42%)
Bachelor Degree	28	14.58%	\$20.63	\$42,916	\$8,276	23.89%
Graduate Degree	6	3.13%	\$27.37	\$56,929	\$22,289	64.35%
Vocational or Technical	2	1.04%	\$19.60	\$40,766	\$6,126	17.68%
HS Diploma or GED	139	72.40%	\$15.50	\$32,243	(\$2,397)	(6.92%)
Some High School	1	0.52%	\$15.00	\$31,197	(\$3,442)	(9.94%)
<b>Total Staff</b>	<b>192</b>	<b>100.00%</b>	<b>\$16.65</b>	<b>\$34,640</b>	<b>N/A</b>	<b>N/A</b>

Staff with education limited to high school or an associate degree earn 7-10% less than the overall average salary for provider staff. Staff who attained vocational or technical, bachelor's, or graduate degrees earn 18-64% more than the overall average salary for provider staff. Staff with a graduate degree have the most earning power, earning an average 64% greater than the average salary across all reported staff.

In **Table 5.12(2)**, staff are regrouped as college degree (i.e., vocational or technical, associate, bachelor's, or graduate degree) and non-college degree (i.e., high school diploma or GED or some high school) and the average salary for those two groups are presented. Notably, the average salary of staff with any type of college degree is approximately 19% higher than the overall average salary.

**Table 5: Number and Percent of CRP Staff and Average Salary, College Degree vs. No College Degree**

Highest Level of Education Attained	Number of Staff	% of Total Staff	Mean Hourly Salary	Mean Annual Salary	Variance from Overall Mean Salary	% Variance
College Degree- Any Type	52	27.08%	\$19.77	\$41,113	\$6,473	18.69%
No College Degree	140	72.92%	\$15.50	\$32,235	(\$2,404)	-6.94%
<b>Total Staff</b>	<b>192</b>	<b>100.00%</b>	<b>\$16.65</b>	<b>\$34,640</b>	<b>N/A</b>	<b>N/A</b>

Provider respondents also provided data regarding professional certifications held by staff members. Providers reported 11 staff (6%) with applicable professional certifications. The average salary of the 11 staff with applicable professional certifications was 56% higher than the average salary of the entire population of 192 staff members, while the average salary of the 181 staff (94%) with no applicable professional certification was 3% lower than the average salary of all provider staff. The average salaries across the two groups, professionally licensed or certified versus unlicensed or non-certified, is presented in **Table 5.12(3)**.

**Table 6: Variance in Salary Across Certified and Non-Certified CRP Staff**

Certification Status	# of Staff	% of Staff	Mean Hourly Salary	Mean Annual Salary	Variance from Overall Mean Salary	% Variance
No Certification	181	94%	\$16.09	\$33,465	(\$1,175)	(3%)
Any Certification*	11	6%	\$25.95	\$53,966	\$19,326	56%
<b>Total Staff</b>	<b>192</b>	<b>100%</b>	<b>\$16.65</b>	<b>\$34,640</b>	<b>N/A</b>	<b>N/A</b>

\*CPR certification not included in "Any Certification" count

Six types of professional certifications were reported. At least one provider respondent reported additional staff members possess cardiopulmonary resuscitation (CPR) certification; however, this certification was not included in professional certification calculations due to its general nature. **Table 5.12(4)** below lists the six distinct professional certifications represented in the provider staff population, the number of staff

possessing the certification, the average salary for staff possessing the certification, and the variance from the mean salary of the entire population of 192 provider staff.

**Table 7: Variance in Salary from Mean Salary, by Staff Certification Type**

Certification Completed	# of Staff	Mean Hourly Salary	Mean Annual Salary	Variance from Overall Mean Salary	% Variance
Association of Community Rehabilitation Educators (ACRE)	5	\$21.91	\$45,571	\$10,931	31.56%
Certified Public Accountant (CPA)	2	\$26.03	\$54,140	\$19,500	56.29%
Direct Service	1	\$26.92	\$55,991	\$21,351	61.64%
Employment Specialist	1	\$17.88	\$37,184	\$2,544	7.34%
Licensed Professional Counselor (LPC)	1	\$48.08	\$100,000	\$65,360	188.69%
Society of Human Resource Management (SHRM)	1	\$26.92	\$56,000	\$21,360	61.66%

The average salary across staff in any professional license or certification group was higher than the average salary of the entire population of staff reported across provider personnel rosters. Average salary for the staff possessing an LPC certification varied the most from the average salary for all staff (189% greater) and average salary for staff possessing an Employment Specialist certification varied the least from the average salary for all staff (7% greater).

Provider respondents self-reported details regarding four out of five reported ACRE certifications: two staff received the certification from Utah State University and two received it from Washington Initiative for Supported Employment.

Despite the earning-power increases for ACRE (32% increase) and Employment Specialist (7% increase) being the smallest increases across all staff certification categories, they are arguably the most relevant for direct VR professionals. As noted in the **Section 4 Comparative Analysis**, there are many potential programmatic benefits to implementing VR-specific direct service certification requirements. Peer state research supports positive outcomes for those states with certification requirements. Cost collection survey salary data also demonstrates an increased earning power of 7-32% for staff who hold these certifications, meaning requiring these certifications could represent improved outcomes for customers and staff.

### 5.12.1 Peer State Certification Requirement Summary

As discussed in **Section 4 Comparative Analysis**, PCG conducted extensive peer-state research into many components that contribute to VR programming administration (e.g., rates, payment types, outcomes, programmatic methodology, certification requirements, market salary benchmarks, etc.). A summary of current certification requirements across an array of peer states is provided below in Table 5.12.1(1). These peer-state certification requirements are included to provide IDVR with a picture of different requirements implemented across the nation, as IDVR considers implementing their own certification requirements to support improved outcomes for IDVR customers.

**Table 8: Required VR Certifications by Peer State and by Related Employment Service Type**

Type of Certification	Requirement	Training Provider	Related Employment Service
<b>Indiana</b>			

Type of Certification	Requirement	Training Provider	Related Employment Service
Employment Services Accreditation	<p>CRP itself must have an accreditation from a national accreditation organization, such as:</p> <ul style="list-style-type: none"> <li>• <b>Commission on Accreditation of Rehabilitation Facilities (CARF)</b></li> <li>• <b>Council on Quality and Leadership for Persons with Disabilities</b></li> <li>• <b>Joint Commission on Accreditation of Hospital Organizations</b></li> <li>• <b>National Committee for Quality Assurance</b></li> </ul> <p>Source: <u>Indiana Family and Social Services Administration, Division of Disability and Rehabilitative Services Bureau of Rehabilitation Services – Vocational Rehabilitation Services Manual</u></p>	Multiple	General Employment Services
<b>Oregon</b>			
Job Placement Services Contract Training – Contract Overview	<p>This course provides information on applying the contract and the required forms or procedures. It is required for job developers and service providers who work in contract administration.</p> <p>Source: <u>Oregon Department of Human Services (ODHS) – Resources for Job Placement Service Contractors</u></p>	ODHS	General – Employment Services
Job Placement Services Contract Training – Direct Services	<p>This course provides skill development for job coaches and job developers. It is required for job coaches, job developers and service providers who work directly with participants.</p> <p>Source: <u>Oregon Department of Human Services – Resources for Job Placement Service Contractors</u></p>	ODHS	General – Employment Services
Job Placement Services Contract Training – Supported Employment	<p>This is a 12-course series developed by Oregon's Office of Developmental Disabilities Services (ODDS) to create a foundation for job developers.</p> <p>Source: <u>Oregon Department of Human Services – Resources for Job Placement Service Contractors</u></p>	ODHS	Supported Employment
<b>Texas</b>			
Director Credential	<p>For most services, the provider must have at least one individual who obtains and maintains the Director Credential. The purpose of the Director Credential is to ensure a person in the contractor's leadership is educated in Vocational Rehabilitation Best Practices, TWC-VR business practices, service delivery requirements, obtaining and maintaining a contract, provider marketing with VR, ethics and other relevant topics.</p> <p>Source: <u>University of North Texas, Workplace Inclusion and Sustainable Employment – Texas Workforce Commission-Vocational Rehabilitation (TWC-VR) Credentials &amp; Endorsements</u>, <u>Texas Workforce Commission – Vocational Rehabilitation Standards for Providers Manual (Section 3.4)</u></p>	University of North Texas (UNT) Workplace Inclusion and Sustainable Employment (WISE)	General – Employment Services
Job Skills Training Credential	<p>Job Skills Training Credential is the first and most basic in the employment service credential series. It is required for anyone who will be providing work experience training or job skills training to</p>	UNT WISE	Work Experience



Type of Certification	Requirement	Training Provider	Related Employment Service
	<p>TWC-VR customers, and is the prerequisite for all other employment service credentials.</p> <p>The course is designed to provide the skills and knowledge to effectively provide job skills training to VR customers. The course is a prerequisite for all other employment credentials. A score of 75% on an assessment is required to receive the credential.</p> <p>Source: <u>University of North Texas (UNT) Workplace Inclusion and Sustainable Employment (WISE) – Texas Workforce Commission-Vocational Rehabilitation (TWC-VR) Credentials &amp; Endorsements</u></p>		Training/Job Skills Training
Job Placement Credential	<p>Job Placement credential training is the second course in the series and is required for anyone wanting to provide job placement services to TWC-VR customers. It is also a prerequisite to complete the Supported Employment and/or Work Readiness Credentials.</p> <p>The Job Placement course is designed to review and teach the most up to date strategies and necessary services to individually assist customers in executing the skills needed to prepare for and complete job searching activities.</p> <p>The online, 6-week course explains the TWC-VR Job Placement Services, outlining the required outcomes for payment, and teaches how to document a customer's progress on required reports. The course is instructor-led, requires assignments and requires a score of 75% or higher on an assessment to receive the credential.</p> <p>The credential period is 3 years and 30 continuing education (COE) hours during each credentialing period are required for recertification. 15 COE hours must be from UNT WISE and 6 COE hours must be Ethics-related.</p> <p>Source: <u>UNT WISE –TWC-VR Credentials &amp; Endorsements, UNT WISE – TWC-VR Continuing Education Criteria and FAQs</u></p>	UNT WISE	Job Search Assistance
Supported Employment Credential	<p>Supported Employment (SE) credential training is an advanced course for individuals who have experience providing employment services and working with individuals with the most significant disabilities. Successful completion of the Job Skills Training and Job Placement credentials are prerequisites.</p> <p>The online, 6-week course explains the TWC-VR SE services, outlining the required outcomes for payment for each SE benchmark. The course is instructor-led, requires assignments and requires a score of 75% or higher on an assessment to receive the credential.</p> <p>The credential period is 3 years and 30 continuing education (COE) hours during each credentialing period are required for recertification. 15 COE hours must be from UNT WISE and 6 COE hours must be Ethics-related.</p>	UNT WISE	Supported Employment



Type of Certification	Requirement	Training Provider	Related Employment Service
	Source: <u>UNT WISE –TWC-VR Credentials &amp; Endorsements, UNT WIS – TWC-VR Continuing Education Criteria and FAQs</u>		
Work Readiness Credential	<p>Work Readiness Credential training is an advanced course designed to develop skills necessary to address disability issues, interpersonal skills, daily living skills, and vocational impediments that interfere with a TWC-VR customer obtaining and maintaining employment. Successful completion of the Job Skills Training and Job Placement credentials and 60 college-credit hours are prerequisites.</p> <p>The course reviews and teaches the skills necessary to implement prescribed curriculums and to develop curriculums that cover the required content as described in the VR Standards for Providers. Assignments and a score of 75% on an assessment to receive the credential.</p> <p>The credential period is 3 years and 30 continuing education (COE) hours during each credentialing period are required for recertification. 15 COE hours must be from UNT WISE and 6 COE hours must be Ethics-related.</p> <p>Source: <u>UNT WISE –TWC-VR Credentials &amp; Endorsements, UNT WIS – TWC-VR Continuing Education Criteria and FAQs</u></p>	UNT WISE	Work Readiness
<b>Utah</b>			
Job Coach – Workplace Supports Training	<p>Completion of a standardized 8-hour program that provides training and technical assistance opportunities to job coaches, as required by Department of Workforce Services-Utah State Office of Rehabilitation (DWS-USOR).</p> <p>Participants must complete an asynchronous training session prior to attending a live 5-hour classroom-based training. The training is a total of 8 hours in total and covers 5 standardized modules. Passing score on a competency test and mastery of specific job coach competencies are required to receive certification.</p> <p>Source: <u>Utah State University, The Center for Employment and Inclusion (CEI), Utah Department of Workforce Services (UDWS)</u></p>	Utah State University (USU), The Center for Employment and Inclusion (CEI)	General – Employment Services
Employment Specialist Training – Association of Community Rehabilitation Educators (ACRE)	<p>Completion of a standardized 40-hour program that provides training and technical assistance opportunities to employment specialists.</p> <p>The standardized 40-hour, five-week hybrid training course contains five modules. The training is comprised of 20 hours of live instruction (online or in-person) and 20 hours of take-home assignments.</p> <p>Source: <u>Utah State University, CEI, Utah Department of Workforce Services (UDWS)</u></p>	USU CEI	General – Employment Services
Customized Employment Training	<p>The Customized Employment Training is an 80-hour course, conducted over 16 weeks, combining classroom and experiential learning while working with an individual seeking a customized job.</p> <p>Successful completion of a basic ACRE certification and employment with a community rehabilitation provider are prerequisites. Ongoing</p>	USU CEI	Customized Employment

Type of Certification	Requirement	Training Provider	Related Employment Service
	<p>technical support and inclusion in future practice events are provided with course completion.</p> <p>Source: <u>Utah State University, CEI – Customized Employment Training</u></p>		
<b>Washington</b>			
Supported Employment	<p>Completion of a standardized training course comprised of 13 modules required within 90 days of hiring required for all CRP direct client service and program staff. CRP providers verify completion with submission of staff's training certificate to VR agency.</p> <p>Source: <u>Washington State Department of Social and Health Services, Division of Vocational Rehabilitation</u></p>	Washington Initiative for Supported Employment	Supported Employment
<b>Wisconsin</b>			
Required Statewide Trainings by Specific Service	<p>Wisconsin Department of Workforce Development (DWD), Division of Vocational Rehabilitation (DVR) has created unique trainings required for each distinct employment service providers may conduct, including:</p> <ul style="list-style-type: none"> <li>• Customized Employment</li> <li>• Individual Placement Support</li> <li>• Internship/ Temporary Work</li> <li>• Job &amp; Task Analysis and Systematic Instruction</li> <li>• Student Work Based Learning Services</li> <li>• Supported Employment and Systematic Instruction</li> <li>• Vocational Evaluation</li> <li>• Work Incentive Benefit Services</li> </ul> <p>Trainings are available in both video presentation format and printable PowerPoint presentation format.</p> <p>Source: <u>Wisconsin DWD-DVR – Service Provider Training</u></p>	Wisconsin DWD-DVR	General – Employment Services
Customized Employment Training	<p>Approved DWD-DVR providers must require personnel who will provide direct Customized Employment (CE) services to complete an approved CE training (listed on DVR website), or an alternate training program that meets <u>ODEP competencies</u>.</p> <p>Staff training certificates must be kept on file by the provider agency for any personnel providing Customized Employment services to DVR consumers and may be requested by DVR.</p> <p>Cost and duration of the training series varies by training provider. Length of the course (by currently approved providers) varies from 3 days to 12 weeks and the cost varies from \$125 to \$400 per staff.</p> <p>Source: <u>Wisconsin DWD-DVR – Service Provider Training</u></p>	<p>Griffin Hammis</p> <p>Michael Callahan</p> <p>TransCen, Inc.</p> <p>Virginia Commonwealth University</p>	Customized Employment

### 5.13 Market Salary Analysis

The first step in calculating rates is to determine the salary per hour of those providing the service. In addition to the cost collection survey, which collected current salary information for CRP staff, PCG conducted market research of professions identified within the scope of the study. Purely cost-based rates may propagate rate deficiencies because existing provider payment structures often dictate the salaries that providers can afford to pay personnel. For example, a provider may lose key personnel because it can only afford to pay VR direct service personnel what the existing rate structure will allow. In this example, that provider's cost collection survey may illustrate salaries that do not reflect the market's threshold for a competitive wage or salary. Based on these considerations, PCG conducted market research of all occupations associated with the IDVR services within scope of this study.

PCG used data from the U.S. Department of Labor, Bureau of Labor Statistics (BLS), Occupational Employment and Wage Statistics (OEWS) program, which produces employment and wage estimates for occupations across the country. The OEWS program is the only comprehensive source of regularly produced occupational employment and wage rate information for the U.S. economy, as well as states, the District of Columbia, and all metropolitan and nonmetropolitan areas in each state. OEWS is frequently cited as the most popular labor market information program within the states. The data included in this report was pulled from the May 2022 OEWS data, which were released on April 25, 2023, and are comprised of 2019-2022 national and state salary and wage information.

**Table 5.13(1)** below presents each IDVR service within the scope of this rate study and the CRP staff who perform each service.

**Table 9: IDVR Service and Related CRP Position**

IDVR Service	CRP Position(s)
Assessment Services	
Community-Based Work Evaluation (CBWE)	Employment Specialist/ Employment Consultant/ Job Developer
CBWE Report Writing	
CBWE Site Development	
Staffing	
General VR Job-Related Support Services	
Job Search Assistance	Employment Specialist/ Employment Consultant/ Job Developer
Job Supports – Short Term	Job Coach
Training – Job Readiness	Employment Specialist/ Employment Consultant/ Job Developer
Supported Employment	
Job Coaching	Job Coach

IDVR staff confirmed that the Employment Specialist, Employment Consultant, and Job Developer positions reported in the cost collection survey personnel roster data are interchangeable titles with no significant variance. A combined CRP position of Employment Specialist/Employment Consultant/Job Developer (ES/EC/JD) was used interchangeably for services completed by staff with any of the three job position titles across Idaho CRPs. In addition to the combined ES/EC/JD position, one other unique CRP position performs the remainder of the IDVR services in this scope: Job Coach. Therefore, market salary research

was conducted for two CRP staff positions: ES/EC/JD and Job Coach. The BLS proxy occupations for the two applicable CRP staff positions, descriptions of the occupations, and typical degree required for entry into the occupation are presented below. Two BLS proxy occupations were identified for the ES/EC/JD role. BLS data reported for that position are averages of salaries for the two BLS proxy occupations.

**Table 10: CRP Titles, BLS Proxies, and Typical Degrees**

CRP Position(s)	BLS Proxy Occupation and Description	Typical Degree Needed for Entry
Employment Specialist/ Employment Consultant/ Job Developer	<b>Training and Development Specialists (13-1151):</b> Design or conduct work-related training and development programs to improve individual skills or organizational performance. May analyze organizational training needs or evaluate training effectiveness. Excludes "Career/Technical Education Teachers, Postsecondary" (25-1194) and "Other Teachers and Instructors" (25-3000). Flight instructors are included with "Aircraft Pilots and Flight Engineers" (53-2010).	Bachelor's
	<b>Community and Social Service Specialists, All Other (21-1099):</b> All community and social service specialists not listed separately.	Bachelor's
Job Coach	<b>Social and Human Service Assistants (21-1093):</b> Assist other social and human service providers in providing client services in a wide variety of fields, such as psychology, rehabilitation, or social work, including support for families. May assist clients in identifying and obtaining available benefits and social and community services. May assist social workers with developing, organizing, and conducting programs to prevent and resolve problems relevant to substance abuse, human relationships, rehabilitation, or dependent care. Excludes "Rehabilitation Counselors" (21-1015), "Psychiatric Technicians" (29-2053), "Personal Care Aides" (31-1122), and "Eligibility Interviewers, Government Programs" (43-4061).	High School Diploma

### 5.13.1 Market Salary Results

With the goal of developing reasonable rates in relation to current market realities, the identified BLS market rate salaries were assessed and compared to salary data from the cost collection survey. In a comparative analysis of BLS wage data and cost collection personnel expense data, PCG identified trends showing current CRP wages are lower than national, Idaho statewide, regional state, and peer state market salaries.

**Table 5.13.1(1)** below summarizes BLS salary data for the identified proxy occupations in four geographical areas: Idaho statewide, national, interstate region, and peer-state region) and salary data reported on cost collection surveys. The states included in the interstate region data are Idaho, Montana, Nevada, Utah, and Wyoming. The states included in the peer state region data are Indiana, Oregon, Utah, Washington, and Wisconsin. *Lowest* salary data for each position is presented in bold *italics font* and **highest** salary data for each position is presented in **bold font**.

**Table 11: CRP Position and Average Salary by BLS Region or Cost Collection Survey Data**

CRP Position	BLS Proxy Idaho Statewide Data	BLS Proxy National Data	BLS Proxy Interstate Region Data	BLS Proxy Peer States Region Data	Cost Collection Survey CRP Data
Employment Specialist/ Employment Consultant/ Job Developer	\$51,285	<b>\$60,745</b>	\$56,360	\$58,975	\$40,555
Job Coach	\$39,990	\$41,600	\$37,874	<b>\$41,644</b>	\$29,906

Cost collection survey data showed the lowest average salary for each position. The highest salary data for the ES/EC/JD position was shown in the BLS national salary data and the highest salary data for the Job Coach position was shown in the BLS peer state region data but, notably, was less than \$50 higher than the national average.

After conducting a comparative analysis of the varying BLS regions' data and the CRP cost collection survey salary data, PCG, in consultation with IDVR, determined the BLS peer state regional data to be the most accurate salary benchmark data. Use of the peer state region salary benchmarks supports IDVR's goals of providing competitive rates, to support competitive salaries offered to promote high quality service provision and outcomes for IDVR customers. The annual salary and hourly wage data for the CRP positions, the peer state region average BLS annual salary and hourly wage data, and variance between the data are presented in **Table 5.13.1(2)** below. Values from column E, hourly wage- peer state region (BLS data), were incorporated into the rate build model, discussed in **Section 6 Rate Calculations**.

**Table 12: Variance in Average Annual and Hourly Salaries between CRP Data and BLS Peer-State Region Data**

CRP Position	Annual Salary (CRP Data)	Hourly Wage (CRP Data)	Annual Salary- Peer State Region Salary (BLS Data)	Hourly Wage- Peer State Region (BLS Data)	% Variance
Employment Specialist/ Employment Consultant/ Job Developer	\$40,555	\$19.50	\$58,975	<b>\$28.35</b>	<b>+45%</b>
Job Coach	\$29,906	\$14.38	\$41,644	<b>\$20.02</b>	<b>+39%</b>

## 6 RATE CALCULATIONS

PCG used data from the comparative analysis and cost collection survey to establish updated rates for the current IDVR rate structure. Rates were developed the IDVR services summarized in **Table 6.0(1)** below.

**Table 6.0(1): Services Included in Scope of Rate Study**

VR Service
<b>Assessment Services</b> <ul style="list-style-type: none"> <li>Assessment: CBWE</li> <li>Assessment: Report Writing</li> <li>Assessment: CBWE Site Development</li> <li>Assessment: Staffing</li> </ul>
<b>VR-Job Related Support Services</b> <ul style="list-style-type: none"> <li>Job Search Assistance</li> <li>Job Supports – Short Term</li> <li>Training – Job Readiness</li> </ul>
<b>Supported Employment Services</b> <ul style="list-style-type: none"> <li>VR-funded Supported Employment – Job Coaching</li> </ul>

One of the goals of this engagement was to ensure that all costs included in the established rates are reasonable as defined by 2 CFR 200.404. Similar to Medicaid and other reimbursement rates, payments to providers should be consistent with efficiency, economy, and quality of care (Social Security Act § 1902(a)(30)). Cost-based rates are the foundation of most methodologies and include all direct and indirect costs related to the provision of the service by the provider. Cost-based rates may include several components, but IDVR should generally capture the following costs associated with VR service delivery, shown in **Figure 6.0(1)** below:

**Figure 6.0(1): Cost Components of Hourly VR Service Cost**

<i>Provider costs DURING the billable unit</i>	
<i>Provider costs OUTSIDE the billable unit</i>	
	Hourly Wage + Tax and Fringe Costs + Administrative Costs + Non-Billable Costs <hr/> = Hourly Service Cost

The rate calculations aim to capture all expenses involved in IDVR service delivery utilizing a rate build-up methodology. This methodology follows best practices in provider payment and federal reimbursement rate setting. PCG recently used this methodology for rate studies for VR systems in Florida (2023), Nebraska (2023), Michigan (2024), and Texas (2023). PCG's project team also followed best practices that have been honed through similar rate studies for human services agencies in more than 35 states.

PCG used this cost-based rate methodology using data from the comparative analysis (peer state reviews, benchmarking to aspects of similar programs), and the cost collection survey to calculate benchmarks for each service category. All rates were calculated using a similar methodology, and this methodology is the basis for rates recommended in the following section.

### 6.1 Hourly Rate Calculation

To calculate the hourly rates, the first step is to determine the hourly wage for each service role, followed by the portion of tax and fringe benefits. These two components are then added together to get the total amount paid to the employee for one hour of service. From there, other administrative personnel and program support expenses (e.g., operations and occupancy costs) are added. Mileage is then added, based on travel time assumptions and the IRS mileage reimbursement rate. A billable percentage is then factored into the calculations to account for non-billable time and expenses associated with service delivery. The following table shows the specific inputs PCG used in IDVR rate calculations.

**Figure 6.0(2): Hourly Rate Inputs**

Rate Inputs	
Tax & Fringe Benefits	28%
Program Administrative Personnel and Overhead	36%
Mileage Expenses Reported	1%
IRS Mileage Rate for 1 hour	\$2.80
Billable Factor	80%

Using the inputs from **Table 6.0(2)**, PCG completed the steps described in **Table 6.0(3)**.

**Figure 6.0(3): Rate Development Steps with Calculation Details**

Step	Rate Calculation Details
1	Insert the average hourly employee salary for the service delivery professional using reported salary from cost study or benchmark.
2	Calculate tax & fringe benefits percent attributed to employees based on steps 1 and the tax & fringe benefits determined by Cost Report Survey.
3	Add Step 1 to Step 2 to calculate the Employee Total cost.
4	Calculate Program Administrative Personnel and Overhead amount using the Program Administration percent from Cost Report Survey and the wage in Step 3.
5	Add Step 3 to Step 4 to calculate the Base Rate.
6	Calculate percentage of costs reported as mileage in cost study.
7	Remove mileage from base rate.
8	Factor in IRS mileage rate based on travel time reported in time study.
9	Factor in Billable percentage as determined by time study.
10	Calculate total hourly rate.

Bringing the inputs together with the steps in the methodology, **Table 6.0(4)** outlines each step of the calculations with the rate inputs applied by each job role (i.e., Employment Specialist/Employment Consultant/Job Developer (ES/EC/JD) or Job Coach).



**Figure 6.0(4): Rate Inputs and Example Rate Calculation, by Job Role<sup>13</sup>**

Step	Rate Component Description	ES/EC/JD Input	Job Coach Input
1	Hourly Salary	\$28.35	\$20.02
2	Tax & Fringe Benefits (28%)	\$7.94	\$5.61
3	EMPLOYEE TOTAL	\$36.29	\$25.63
4	Program Administrative Personnel and Overhead (36%)	\$20.36	\$14.37
5	BASE RATE	\$56.65	\$40.00
6	Reported Mileage to Remove	\$0.45	\$0.32
7	Total Costs/Hour Less Reported Mileage	\$56.20	\$39.68
8	IRS Rate Mileage	\$2.80	\$2.80
9	Billable Factor (80%)	\$14.75	\$10.62
10	TOTAL HOURLY RATE	\$73.75	\$53.11

**Table 6.0(5)** details the cost calculations to determine the IRS Mileage Rate of \$2.80. Average MPH is based on a model assumption of composite travel time on highways, city streets, and rural roads.

**Figure 6.0(5): Mileage Calculations**

Mileage Calculations		%	Element Type	Source
Percentage of Hour	0.07	7.47%	Minutes/Percent	% Travel to/from Sessions
Average MPH	57.29		ID Avg MPH	National Mileage
Miles Traveled	4.28		Miles	MPH x % Travel to/from Sessions
Reimbursement Rate	\$0.655		Federal Mileage Rate	U.S. Internal Revenue Service (mileage rate effective Jan 1, 2024)
Cost Per Hour	\$2.80		Mileage Cost/Hour	Calculation: miles traveled x mileage rate

## 6.2 Inflation Considerations

The rate calculations were based on data taken primarily from FY23. PCG recommends IDVR consider an inflation factor when determining the rates for the implementation year. For example, rate implementation in FY27, opposed to FY26, would require an additional markup to account for the increased costs a year later. There are several mechanisms and entities that track and can help account for inflation; PCG recommends using the Customer Price Index (CPI), made available by the Bureau of Labor Statistics for urban customers. PCG used the BLS CPI for the United States – West to calculate a five-year average annual percent change (4.1%). This cost adjustment factor (CAF) is applied to the rates for a series of



potential rate implementation years. **Table 6.2(1) Inflation Increase Over Time** and **Table 6.2(2): Inflation Factorization** reflect the impact of inflation on rates.

**Table 6.2(1): Inflation Increase Over Time**

Year	Month	Annual	Inflation
2019	June	6.16	2.3%
2020	June	4.34	1.6%
2021	June	13.97	5.1%
2022	June	22.96	7.9%
2023	June	11.14	3.5%
5-Year Average			4.1%

**Table 6.2(2): Inflation Factorization**

Implementation Period	Inflation Factor
2023	100.0%
2024	104.1%
2025	108.3%
2026	112.7%
2027	117.3%

### 6.3 Flat Fee and Milestone Rate Structures

Extensive comparative analysis was conducted throughout this rate study to research and analyze the national landscape of VR fiscal and program procedures and best practices. As discussed in **Section 4.2: Summary of Peer State Data**, peer state rate structures vary greatly and different types of rate structures are implemented, beyond the current hourly rate structure utilized for all IDVR services. Many peer states have implemented fee for service rate structures where the providers are paid one set fee for each customer who is provided a service, despite any variation in time to provide the service across customers. This is a flat fee rate model and the rate for the service is calculated as:

- **Service Cost = Hourly Rate X Assumed Number of Hours**

Similarly, many peer states have implemented fee for service rate structures where providers are paid one set fee for each customer who is provided the service, but the total rate is paid incrementally as the customer meets certain prescribed milestone achievements. This type of rate structure is a milestone rate model. In this rate structure, payment rates for the service are calculated in two steps:

1. Service cost is calculated as:

- **Service Cost = Hourly Rate X Assumed Number of Hours**

2. Milestone payments are calculated, based on the total number of milestone payments, the total number of achievements or outcomes per service and the proportion of total outcomes achieved, at each milestone interval payment.

Throughout the study, PCG presented IDVR with data on peer state rate structures for comparable VR services in the scope of this study, so that rate structures beyond the current hourly rate structure could be considered. While each service rate calculation begins with an hourly rate calculation, dependent upon the hourly salary component of the staff who complete the service and other rate build components discussed in the previous sections, flat fee and milestone rates may then be calculated, based on assumed total time to complete the service and any requisite milestones and weight of milestones identified for completion of a service.

### 6.3.1 Flat Fee and Milestone Rate Calculations

Based on IDVR's understanding of the current VR landscape, both in Idaho and across peer states analyzed during this study, IDVR requested further calculation of flat fee rates for the following services:

- Assessment Services
  - Assessment: CBWE
  - Assessment: Report Writing
  - Assessment CBWE Site Development
  - Assessment: Staffing
- General VR Job-Related Support Services
  - Training – Job Readiness

For each service with a proposed flat fee rate structure, the proposed flat fee rates presented in **Section 7.1: Rate Recommendations** were calculated by multiplying the proposed hourly rate by the assumed total service hours, as discussed in **Section 5.10: Time Study Analysis**.

Based on the same consideration of national and peer state procedures and best practices, IDVR requested calculation of milestone rates for the following services:

- General VR Job-Related Support Services
  - Job Search Assistance
  - Job Supports – Short Term

For each service with a proposed milestone rate structure, IDVR identified the number of proposed payments throughout the service lifecycle, the specific expected outcome or achievement at each milestone increment, and the weight of each outcome or achievement (i.e., portion of total service payment received at that interval). This data is presented in **Table 6.3(1)** below.

**Table 6.3.1(1): Services with Proposed Milestone Rate Structure – Description & Weight of Milestones**

Service with Proposed Milestone Rate Structure	Number of Payments	Milestone 1 Description & Weight	Milestone 2 Description & Weight	Milestone 3 Description & Weight
Job Search Assistance	2	Initial staffing and participation in job placement/support services agreement (25.0%)	Customer obtains employment (75.0%)	None

Service with Proposed Milestone Rate Structure	Number of Payments	Milestone 1 Description & Weight	Milestone 2 Description & Weight	Milestone 3 Description & Weight
Job Supports – Short Term	3	Customer employed 15 days (33.3%)	Customer employed 45 days (33.3%)	Customer employed 90 days (33.3%)

For each service with a milestone rate structure the proposed milestone rates presented in **Section 7.1: Rate Recommendations** were calculated by:

1. Determining the total cost for the service (Hourly Rate X Assumed Total Hours); and
2. Determining the cost of each milestone payment.

The milestone rate schedule for Job Search Assistance was calculated as follows:

- **Milestone Payment 1** = Total Service Cost X 25%
- **Milestone Payment 2** = Total Service Cost X 75%

The milestone rate schedule for Job Supports – Short Term was calculated as follows:

- **Milestone Payment 1** = Total Service Cost X 33.3%
- **Milestone Payment 2** = Total Service Cost X 33.3%
- **Milestone Payment 3** = Total Service Cost X 33.3%

Milestones for each service (Job Search Assistance and Job Supports – Short Term) can be found in **Section 7.1 Rate Recommendations**.

## 7 RECOMMENDATIONS

PCG makes rate and programmatic recommendations to IDVR based on the analysis summarized in this report. PCG's rate recommendations are tied directly to the rate calculations. PCG provides programmatic recommendations associated with the rates. Together, these components can work in tandem to support IDVR's mission to help people with disabilities find and maintain employment and enhance their independence. IDVR may accept all, some, or none of these recommendations.

### 7.1 Rate Recommendations

PCG recommends the rates listed in **Tables 7.1(1-3): Rate Recommendations** below for implementation in FY 26 based on the analysis described in this report. As noted throughout this report, the rate calculations are based on the conducted cost study, market salary research, feedback from IDVR, and peer state research.

**Table 7.1(1): Rate Recommendations – Flat Fee Rates**

Service	Proposed Rate Type	Proposed Service Rate
<b>Assessment Services</b>		
Assessment: CBWE	Flat Fee	\$1,760
Assessment: CBWE Report Writing	Flat Fee	\$100
Assessment: CBWE Site Development	Flat Fee	\$1,160
Assessment: Staffing	Flat Fee	\$100
<b>General VR Job-Related Support Services</b>		
Training – Job Readiness	Flat Fee	\$760

**Table 7.1(2): Rate Recommendations – Milestone Rates**

Service	Proposed Milestones	Proposed Milestone Payments	Total Service Amount
<b>General VR Job-Related Support Services</b>			
Job Search Assistance	M1: Resume preparation, identifying job opportunities, developing interview skills	\$239	\$956
	M2: Customer obtains employment	\$717	
Job Supports – Short Term	M1: Customer employed 15 days after starting job	\$372	\$1,116
	M2: Customer employed 45 days after starting job	\$372	

	M3: Customer employed 90 days after starting job	\$372	
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**Table 7.1(3): Rate Recommendations – Hourly Rates**

Service	Proposed Rate Type	Proposed Service Rate
<b>Supported Employment</b>		
Supported Employment – Job Coaching	Hourly	\$60 per hour

### 7.1.1 Current Rate Comparisons

PCG compared the impact of the proposed rates in conjunction with Idaho's current service rates. **Table 7.1.1(1): Current Fee Schedule Comparison to Proposed Fee Schedule** shows the current rates as compared to the proposed rates, with the dollar and percentage of variance. The proposed fee schedule shows rates with an assumption of implementation in FY26. Therefore, the proposed fee schedule includes an inflationary factor. Implementation of the proposed fee schedule would see an increase in hourly rates for all services, with the increase ranging in variance from 11-54%.

**Table 7.1.1(1): Current Fee Schedule Comparison to Proposed Fee Schedule**

Service Category and Benchmark	Current Hourly Rate	Proposed Hourly Rate	Variance \$	Variance %
<b>Assessment Services</b>				
Assessment: CBWE	\$54	\$83.15	\$29.15	54%
Assessment: Report Writing	\$54	\$83.15	\$29.15	54%
Assessment CBWE Site Development	\$54	\$83.15	\$29.15	54%
Assessment: Staffing	\$54	\$83.15	\$29.15	54%
<b>General VR Job-Related Support Services</b>				
Job Search Assistance	\$54	\$83.15	\$29.15	54%
Job Supports – Short Term	\$54	\$59.87	\$5.87	11%
Training – Job Readiness	\$54	\$83.15	\$29.15	54%
<b>Supported Employment</b>				
Supported Employment – Job Coaching	\$54	\$60.00	\$6.00	11%

## 7.2 Overall Fiscal Impact

Due to the unpredictable trends related to provision of services in the post-COVID era and the impacts of recent year's policy changes on service trends, PCG conducted a comparative analysis of the fiscal impact of FY26 implementation of proposed rates with utilization data from three FYs: 2021-2023. Comparatively, costs in FY21 represent high estimates, costs in FY22 represent medium estimates and costs in FY23 represent low estimates for service utilization and resulting cost to provide services. PCG calculated the total cost in FY21-23, based on current rates and actual FY23 case management utilization data. The full calculation of FY23 total costs (i.e., Current Rate X Service Units = Cost) is shown in **Table 7.2(1)** below.

**Table 7.2(1): FY23 Rates, Utilization, and Costs**

VR Service	Current Rate	Rate Type	FY23 Service Units	FY23 Cost
<b>Assessment Services</b>				
Assessment: CBWE	\$54.00	Hourly	6,616	\$357,237
Assessment: CBWE Report Writing	\$54.00	Hourly	166	\$8,964
Assessment: CBWE Site Development	\$54.00	Hourly	4,797	\$259,038
Assessment: Staffing	\$54.00	Hourly	809	\$43,686
<b>General VR Job-Related Support Services</b>				
Job Search Assistance	\$54.00	Hourly	13,582	\$733,401
Job Supports – Short Term	\$54.00	Hourly	5,727	\$309,231
Training – Job Readiness	\$54.00	Hourly	411	\$22,167
<b>Supported Employment</b>				
Supported Employment – Job Coaching	\$54.00	Hourly	19,517	\$1,053,932
<b>Total Cost FY23</b>				<b>\$2,787,656</b>

Service utilization varied across FY21-23. Due to that variation, the total cost for services also varied each year. FY21 showed the highest service utilization, thus the highest total cost for services. FY22 showed a moderate service utilization and total cost, compared to FY21 and FY23 data. FY23 showed the lowest service utilization and total cost of the three years' data. Actual service units and total costs for each of the three fiscal years are presented in **Table 7.2(2)**.

**Table 7.2(2): FY21-23 Service Levels and Total Costs**

VR Service	FY21 Service Units	FY21 Cost (High Utilization)	FY22 Service Units	FY22 Cost (Medium Utilization)	FY23 Service Units	FY23 Cost (Low Utilization)
<b>Assessment Services</b>						
Assessment: CBWE	7717	\$416,691	6,447	\$348,138	6616	\$357,237
Assessment: CBWE Report Writing	N/A	\$0	N/A	\$0	166	\$8,964
Assessment: CBWE Site Development	4655	\$251,370	3,740	\$201,933	4797	\$259,038
Assessment: Staffing	867	\$46,818	835	\$45,104	809	\$43,686
<b>General VR Job-Related Support Services</b>						

Job Search Assistance	17654	\$953,330	13,757	\$742,865	13582	\$733,401
Job Supports – Short Term	9080	\$490,293	7,436	\$401,517	5727	\$309,231
Training – Job Readiness	741	\$40,014	680	\$36,739	411	\$22,167
<b>Supported Employment</b>						
Supported Employment – Job Coaching	19220	\$1,037,885	19,864	\$1,072,637	19517	\$1,053,932
<b>TOTAL</b>	<b>59933</b>	<b>\$3,236,401</b>	<b>52,758</b>	<b>\$2,848,932</b>	<b>51623</b>	<b>\$2,787,656</b>

Due to utilization variation across FY21-23, estimates of FY26 costs, with implementation of the proposed rate structures vary, dependent upon which fiscal year utilization data is used. PCG calculated the total estimated costs in FY26, based on actual FY21-23 utilization data. The full calculation of FY26 estimated costs based on FY21-23 utilization is shown in **Table 7.2(3)** below.

**Table 7.2(3): FY26 Estimated Cost with Proposed Rates at FY23 Service Levels**

VR Service	FY26 Proposed Service Cost	FY21 Units (Rate Multiplier)	FY26 Cost, FY21 Service Level	FY 22 Units (Rate Multiplier)	FY 26 Cost, FY22 Service Level	FY23 Units (Rate Multiplier)	FY26 Cost, FY23 Service Level
<b>FY's Comparative Utilization Level</b>		<b>High Service Levels</b>		<b>Medium Service Levels</b>		<b>Low Service Levels</b>	
<b>Assessment Services</b>							
Assessment: CBWE	\$1,760/ Customer	459 Customers	\$839,970	363 Customers	\$664,290	348 Customers	\$612,480
Assessment: CBWE Report Writing	\$100/ Customer	N/A	\$0	N/A	\$0	163 Customers	\$16,300
Assessment: CBWE Site Development	\$1,160/ Customer	579 Customers	\$700,590	455 Customers	\$550,550	392 Customers	\$454,720
Assessment: Staffing	\$100/ Customer	866 Customers	\$86,600	828 Customers	\$82,800	770 Customers	\$77,000
<b>General VR Job-Related Support Services</b>							
Job Search Assistance	\$956/ Customer	2,156 Customers	\$2,147,376	1,484 Customers	\$1,478,064	1,333 Customers	\$1,274,348
Job Supports – Short Term	\$1,116/ Customer	787 Customers	\$916,068	532 Customers	\$619,248	369 Customers	\$411,804
Training – Job Readiness	\$760/ Customer	90 Customers	\$71,100	85 Customers	\$67,150	54 Customers	\$41,040
<b>Supported Employment</b>							
Supported Employment – Job Coaching	\$60/Hour	19,220 Hours	\$1,191,646	19,864 Hours	\$1,231,546	19,517 Hours	\$1,171,035
<b>Total Estimated Cost FY26</b>		<b>\$5,953,350</b>		<b>\$4,693,648</b>		<b>\$4,058,727</b>	

FY21 had the highest service utilization, thus elicited the highest cost estimate. FY22's service utilization was mid-range across the three fiscal years, thus elicited the medium cost estimate. FY23 had the lowest service utilization, thus elicited the lowest cost estimate.

The total estimated costs for FY26 and cost variances for each of the three fiscal years' utilization and cost data are presented in **Table 7.2(4)**.

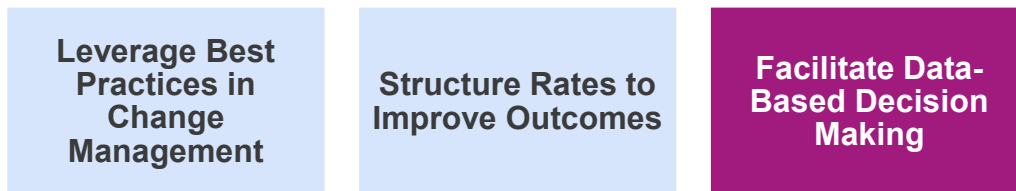
**Table 7.2(4): Fiscal Impact Analysis Based on FY21-23 Service Volumes**

Service Volume	Total Cost from Current Rates	Estimated Cost from Recommended Rates	Difference	Variance
<b>FY21 (High)</b>	\$3,236,401	\$5,727,114	<b>\$2,490,713</b>	<b>77%</b>
<b>FY 22 (Medium)</b>	\$2,848,932	\$4,518,314	<b>\$1,669,382</b>	<b>59%</b>
<b>FY 23 (Low)</b>	\$2,787,656	\$4,058,727	<b>\$1,271,072</b>	<b>46%</b>

**Table 7.2(4)** shows how IDVR FY26 costs would be 46% higher than actual FY23 costs, based on implementation of the FY26 proposed rate and service levels remaining constant. PCG recognizes that this is a significant increase and recommends two options, should IDVR choose a staged or phased implementation approach over the course of three years. First, IDVR could prioritize increases to the service rate categories with the largest percent variance between the proposed rate and the current rate and have a tiered set of rate increases. Second, IDVR could consider implementing a percentage increase year to year for all service rate categories until each reaches its proposed rate. Both options would allow a phased-in approach and potentially allow IDVR to better absorb the increases proposed to the rate schedule.

### 7.3 Programmatic Recommendations

PCG submits the following programmatic recommendations in conjunction with the above rate recommendations. Implementing both programmatic and rate recommendations can optimize the impact of a rate adjustment. Programmatic recommendations are grouped into three categories: leveraging best practices in change management, structuring rates to improve outcomes, and facilitate data-based decision making.

**Figure 7.3(1): Programmatic Recommendations**

#### 7.3.1 Program Recommendation 1: Leverage Best Practices in Change Management During Rate Implementation

PCG recommends **utilizing an effective implementation plan** based on best practices in change management. As part of this scope of work, **PCG will develop a recommended implementation plan** for IDVR to be included along with this analysis and recommendations report and other supporting files.

The following high-level implementation recommendations support IDVR's ability to effectively implement the new rate structure:

1. **Establishing a feedback loop between IDVR and CRP stakeholders** through the creation of an advisory council of CRPs to meet quarterly to identify challenges, priorities, and provide solutions.
2. **Consider phase-in rate increases** depending on estimated fiscal impact and IDVR fiscal year budget constraints. This can be done by prioritizing services to fund or staggering rate adjustments.



3. The implementation plan should include activities such as **policy enhancements and updating CRP contracts** to align with the new rate structure and provider staff qualification requirements.
4. **Provide Transparency for providers** by committing to a rate update plan and schedule and communicating clearly with stakeholders.

### 7.3.2 Program Recommendation 2: Structure Rates to Improve Outcomes

The following is a series of recommendations on the ways IDVR can further improve services and outcomes in alignment with IDVR's program priorities.

1. **Establish service provider staff qualifications.** This analysis can help support any subsequent rate adjustments. It will also allow for easier market analysis. This is particularly important for services that require specific credentials. For more information regarding provider certifications and credentials, please refer to the [Provider Certification Requirements Analysis section](#).
2. **Consider external factors when setting/adjusting rates** such as what peer and neighboring state VR agencies pay for similar VR services. For example, when looking at the Job Search Assistance (JSA) service, it was noted that Washington VR pays a significantly higher rate than was calculated for IDVR (\$956 total service amount).

In this instance, the \$956 total was calculated by taking the straight average hours for providing JSA services according to case management data (12 total hours). However, IDVR could use the top 75th percentile of average hours, bringing the total hours to 17 total hours. Using 17 hours would bring the total service amount to \$1,436 as outlined in the table below.

Service	Proposed Milestones	Proposed Milestone Payments	Total Service Amount
<b>General VR Job-Related Support Services</b>			
Job Search Assistance	M1: Initial staffing and participation in job placement/support services agreement	\$359	\$1,436
	M2: Customer obtains employment	\$1,077	

3. **Explore value-based payment approaches** to enhance service quality and employment outcomes. Rate structures ideally incorporate performance measures to incentive outcomes. IDVR could consider a rate structure that is still grounded in costs but is enhanced by provider performance. For example, some approaches may tier milestone rates based on the quality of outcomes such as the number of hours, wage, or SOC code.
4. **Explore the development and dissemination of incentive payments to target unserved and underserved populations.** During the course of this engagement, the project team has discussed opportunities to leverage the rate structure to incentivize providers serving those populations that are currently unserved or underserved. For more information regarding incentive payments to target unserved and underserved populations, please refer to the [Supplemental Information on Bonus and Incentives Rates](#) section.

### 7.3.3 Program Recommendation 3: Facilitate Data-Based Decision Making

To monitor for both the success and opportunities for improvement in service delivery, collecting the right data on a regular basis is required. The following recommendations support IDVR's ability to facilitate data-based decision making.

1. **Monitor provider costs by collecting cost report and milestone data annually.** This data can help IDVR assess the alignment of its new payment structure with actual costs. The cost reports should collect detailed service, revenue, and expense data from all providers. Market (salary) and inflation data should also be reviewed so that rates continue to reflect program realities.
2. **Facilitate regular rate studies of VR services** on a planned cadence and any time there is a material change in service provision and/or every three to five years to keep rates as closely aligned with provider cost realities as possible.

## 8 APPENDICES

### Appendix A: CRP Focus Group Questions

#### General

1. We are interested in locations where services are provided. We are using the 8 former regions – 1- Coeur d’Alene; 2- Lewiston; 3- Treasure Valley, Central; 4- Twin Falls; 5- Pocatello; 6- Idaho Falls; 7- Treasure Valley, West; 8- Treasure Valley East. Are you able to provide service information by those regions?

#### Staffing

We want to capture the variety of job titles that support Idaho Vocational Rehabilitation Employment Services.

1. Can you tell me about the different positions in your organization that provide or support services for Idaho Vocational Rehabilitation? *(For example: job coach/developer, employment specialist, program director or program manager, secretary/administrator, billing/invoice specialist, etc).*
2. Of the roles listed and identified, which roles provide direct services?
3. Is there anything else you would like to share with PCG that would inform our analysis?

#### Pre-ETS.

1. Can you tell me about the different positions in your organization that provide or support services? *(For example: job coach/developer, employment specialist, program director or program manager, secretary/administrator, billing/invoice specialist, etc).*
2. Of the roles listed and identified, which roles provide direct services?
3. Is there anything else you would like to share with PCG that would inform our analysis?

#### Services

##### Pre-ETS

1. What are some tasks that require the most time? How much time?
2. What are some factors that can impact the typical amount of time required to provide services?
3. Is there anything else you would like to share with PCG that would inform our analysis?

##### Job Placement Services

4. What are some tasks that require the most time? How much time?
5. What are some factors that can impact the typical amount of time required to provide services or meet a benchmark?
6. Is there anything else you would like to share with PCG that would inform our analysis?

##### Supported Employment Services

7. What are some tasks that require the most time?
8. What are some factors that can impact the typical amount of time required to provide services or meet a benchmark?
9. Is there anything else you would like to share with PCG that would inform our analysis?

#### Final Question(s)

10. Are there any other areas or costs that may have been overlooked in our development of the cost collection tool?
11. Are there any other rate-setting related items that we’ve reviewed where you feel more information and guidance is required from Idaho VR to assist you in completing the cost collection tool?

**Appendix B: CRPs Who Completed Cost Collection Survey**

Participating CRPs	
Community Connections	Royal Journeys, LLC
Dawn Enterprises, Inc.	The Arc, Inc.
Development Workshop, Inc.	Transitions, Inc
Identity Career Services	Opportunities Unlimited Inc.
Northwest Center	WITCO
Rise (formerly CPI)	

**Appendix C: Tables from Rate Build Calculator****Impact of Proposed Hourly Rates In FY26\***

<b>VR Service</b>	<b>FY26 Proposed Hourly Rate</b>	<b>Proposed Rate Type</b>	<b>Estimated Total Service Time (Hrs)</b>	<b>FY26 Proposed Total Service Cost</b>
<b>Assessment Services</b>				
Assessment: CBWE	\$83.15	Flat Fee	21	\$1,760.00
Assessment: CBWE Report Writing	\$83.15	Flat Fee	1	\$100.00
Assessment: CBWE Site Development	\$83.15	Flat Fee	14	\$1,160.00
Assessment: Staffing	\$83.15	Flat Fee	1	\$100.00
<b>General VR Job-Related Support Services</b>				
Job Search Assistance	\$83.15	Milestone(s)	12	\$996.00
Job Supports -- Short Term	\$59.87	Milestone(s)	19	\$1,137.53
Training -- Job Readiness	\$83.15	Flat Fee	9	\$748.35
<b>Supported Employment</b>				
Supported Employment -- Job Coaching	\$60.00	Hourly	N/A	N/A

\* Please note that all calculations in this report were completed in Excel with formulas rounding to the nearest dollar or whole numbers. This may result in differences for any calculations redone manually using figures presented.