

LRS CHAPTER 4, TECHNICAL ASSISTANCE & GUIDANCE MANUAL		
Part	Name	Effective Date
411	Financial Status	*July 21, 2016**
Authorization Federal Register, Volume 66, Department of Education, 34 CFR 361, Part VI, State Vocational Rehabilitation Services Program, §361.45, 361.46, 361.47, 361.48, 361.52, 361.53 and 361.54.		

ALL NARRATIVE DOCUMENTATION OF FINANCIAL STATUS IS MADE IN AWARE, CASE NOTES.

I. INDIVIDUAL’S PARTICIPATION IN THE COST OF VOCATIONAL REHABILITATION SERVICES

- A. A financial need analysis or a budgetary analysis of assets, income, monthly liabilities, and/or comparable services and similar benefits shall not be applied as a condition for furnishing any vocational rehabilitation service if the individual in need of the service has been determined eligible for Social Security benefits under Title II or title XVI of the Social Security Act (SSI/SSDI). However, the counselor must apply all agency guidelines regarding the use of comparable services as applicable under Part 410 as a condition for furnishing vocational rehabilitation services. (Refer to Part 422, Additional Guidelines for SSI/SSDI Recipients for more information.)

- B. A Financial Need Analysis is not required as a condition for furnishing the following vocational rehabilitation services.
 - 1. Assessment for determining eligibility and priority for services, except those non-assessment services that are provided during an extended evaluation to explore the individual’s abilities, capabilities, and capacity to perform in work situations (trial work periods);
 - 2. Assessment for determining vocational rehabilitation needs;
 - 3. Counseling, guidance, including information and support services to assist an individual in exercising informed choice;
 - 4. Referral and other services to secure needed services from other agencies through cooperative agreements, if such services are not available from LRS;
 - 5. Job-related services, including job search and placement assistance, job retention services, follow-up services, and follow-along services;
 - 6. Rehabilitation technology assessments;
 - 7. Supported employment, on-site training, and on-the-job training;
 - 8. Personal assistance services directly related to a direct job placement outcome and provided simultaneously with any of the above-listed vocational rehabilitation services.

(Examples include attendant, reader, scribe, interpreter, and adjustment/orientation and mobility training services.)

9. Assistive technology services and devices (except hearing aids¹) (Refer to Section 412.4 for a list of exempt devices.)

C. A Financial Need Analysis will be applied to determine the ability of the individual to financially contribute to the cost of the following vocational rehabilitation services.

1. Physical restoration and/or mental restoration;
2. Hearing aids;
3. Maintenance;
4. Transportation;
5. Books and supplies;
6. Occupational tools and equipment
7. Telecommunication, sensory, and other technological aids and devices not classified as assistive technology devices (Refer to Section 412.4 for a list of assistive technology devices.)
8. Cost services to other family members;
9. Occupational licenses;
10. Discretionary training fees such as car registration fees, student health service fees, etc. not included in tuition;
11. Adjustment/orientation and mobility, attendant, reader, scribe, and interpreter services not directly related to a direct job placement outcome;
12. Vocational and other training services, such as college/university, vocational and proprietary school training, not related to an immediate direct job placement outcome;
13. Other goods and services;
14. Post-employment services consisting of the services listed above.

¹ Per the Administrative Procedures Act [R.S. 49:953(B)] Louisiana Rehabilitation Services invoked Emergency Rulemaking that placed Hearing Aids under a Financial Needs test effective 12/7/2007. Final Rulemaking completed 6/20/08.

- D. The only exception to items C. 11. and C. 12. above is as follows:
1. To preserve LRS' Continuity of Services provision in the Order of Selection, LRS exempted those eligible individuals who had an IWRP/IPE in effect prior to July 20, 1999, which is the date of the adoption of this rule change; therefore, items C.11 and C.12 above will only apply to those individuals who had an IWRP/IPE developed after July 20, 1999.
 2. For clarification purposes, the following services are exempt from the application of a Financial Need Analysis:
 - a. Adjustment/orientation and mobility services
 - b. Attendant services
 - c. Reader services
 - d. Scribe, notetaker/braille services,
 - e. Interpreter services
 - f. Assistive technology services (Refer to Subsection 412.4 for listing of devices)

E. Self-Employment

When it is determined by a counselor and an eligible consumer that self-employment, through establishment of a small business enterprise, is the best option for the consumer, the consumer must provide a minimum cash capital contribution of 20 percent of the total transaction. (Refer to LRS Policy on Small Business Enterprise and to Chapter 4, Section 412.19.)

II. FAMILY STATUS FOR FINANCIAL NEED ANALYSIS

An individual's status for the Financial Need Analysis will be determined as follows:

A. Married Consumer

The agency will perform the Financial Need Analysis on the basis of the resources of both the consumer and the spouse if the consumer is married.

B. Single (Unmarried) Consumer Living in Family Unit

The agency will perform the Financial Need Analysis on the basis of the resources of the family unit for all single consumers, under age 24, living in the family home as a family member (See exception in "D" below). Temporary absences from the home, such as for vacations, school, or illness, count as time lived in the home.

Note: None of the following conditions, either singly or in combination, are sufficient justification to regard the consumer as a single individual:

1. Parents are unwilling to contribute to the consumer's rehabilitation program.
2. Parents are unwilling to provide financial information for completion of the RS-14.
3. The consumer is reluctant to request income information from parents or legal guardians.
4. Parents do not claim the consumer as a dependent for income tax purposes.
5. The consumer is legally emancipated.
6. The consumer files his/her own state and federal income tax forms and/or has personal income in an amount necessary to demonstrate self-sufficiency.

C. Single Consumer

The agency will perform the Financial Need Analysis on the basis of the resources of a single individual who is not married and is at least 24 years of age, regardless of place of residence.

D. Single Consumer Under Age 24

The agency will perform the Financial Need Analysis on the basis of the resources of a single individual under age 24, only if any of the following conditions in 1 through 7 apply:

1. The individual has returned to the family unit and all of the conditions under (a-c) below are met:
 - a. The individual's disability has precluded s/he obtaining or maintaining employment; and
 - b. The individual has a documented history of self-sufficiency (IRS 1040s, copies of W-2s, etc) that includes providing over one-half the costs of maintaining a residence, for at least one year, prior to their return to the family unit; and
 - c. The individual's parent(s), legal guardian, or other head of household provides documentation (IRS 1040s) that indicates such person(s) do not claim the individual as an exemption for federal and/or state income tax purposes; or
2. The consumer is documented to have served on active duty (including basic training) in the U.S. Armed forces (National Guardsmen and Reservists must have been called up to active duty by presidential order for purposes other than training), regardless of the place of residency; or
3. The consumer is documented to be an orphan (both biological parents deceased) and has no adoptive parent(s), or is a ward of the court or was a ward of the court until age 18 (documentation required see below); or

4. The consumer can provide documentation that s/he has been judged to be an “independent student” (Dependency Override) by the financial aid administrator of a postsecondary school.

Note: In all instances where post-secondary training is planned at an institution where PELL is available, the individual must meet the above condition (D-4) to be considered a single individual by LRS; or

5. Documentation of an abusive family situation (parental substance abuse, physical/mental abuse of the consumer or other household member, etc.) resulting in the consumer living with a third party (documentation required see below); or

6. Custodial parent (or parents) incarcerated; whereabouts of other parent is unknown (documentation required see below); or

7. *The consumer is documented to be incarcerated and is a ward of the state. Documentation required - one letter or other document from the prison/jail indicating that the individual is currently incarcerated there.**

8. Unusual or Exceptional Family Circumstance - If the consumer’s situation is not described in (1-6) above, but the case record documents the particular situation constitutes an unusual or exceptional family circumstance, the Regional Manager may request an exception from the Director (documentation required see below).

Documentation Required for Numbers 3, 5, 6 and 8 above:

Documentation should include information from sources other than the LRS case record narrative and at a minimum, must include at least two letters from unbiased third parties who personally have knowledge of the consumer’s situation and can verify the circumstances. At least one letter must be on letterhead and must come from a guidance counselor, physician, social worker, clergy person or other individual who has been involved in the circumstances in a professional capacity.

III. OTHER CONSIDERATIONS

- A. Family unit is defined as the consumer and the consumer's parents or the consumer and any significant other(s), such as aunts, uncles, legal guardians, etc., who are living in the household and are providing support for the maintenance of the household in which the consumer lives. Adult siblings of the consumer can be excluded as a member of the family unit for income reporting; but must also be excluded from the family unit in the determination of the size of the family unit. NOTE: Foster parents are not considered legal guardians [See II (D) (3) above].
- B. Individuals who do not provide LRS with necessary financial information to perform the Financial Need Analysis will be eligible only for those vocational rehabilitation services that are not conditioned upon an analysis to determine the extent of the individual's participation in the costs of such services.
- C. Monetary gifts, personal loans or financial support in the form of room, board or other expenses from the consumer's parents, other relatives, or a significant other demonstrate the consumer lacks independence and should not be considered a single individual for Financial Needs Analysis, unless the individual meets the description of a single individual in II(C) or (D) above.
- D. Individuals who have defaulted on a student loan must make good faith efforts with the lender to clear the default or to defer payment before LRS will participate in the cost of the consumer's vocational rehabilitation program. (RSA Policy Directive: RSA-PD-92-02; issued 11/21/91). If the consumer has not otherwise addressed repayment, the counselor should advise the consumer to request a "deferment" using the following website:
<https://studentaid.ed.gov/PORTALSWebApp/students/english/difficulty.jsp>. In such cases, the counselor must document in the case record the efforts that the consumer has made to clear the default or to defer payment.
- E. Simultaneously with the comprehensive assessment, at the annual review of the IPE, and at any time there is a change in the financial situation of either the consumer or the family, the counselor will perform a Financial Need Analysis for each consumer requiring vocational rehabilitation services as listed above. The amount of consumer participation in the cost of their vocational rehabilitation program will be based upon the most recent budget analysis at the time the relevant Trial Work Experiences Plan, Extended Evaluation Plan or IPE or amendment is developed.
- F. All applicable state, departmental and agency purchasing policies and procedures must be followed.
- G. LRS does not purchase vehicles or real estate.

- H. Services and rates of payment must be authorized in accordance with LRS' Medical Fee Schedule and LRS' Technical Assistance and Guidance Manual, Chapter 5 which lists approved service providers and payment rates.

IV. APPROVAL OF SERVICE PROVIDERS

- A. Any service provider approved by the agency must agree not to make any additional charge to or accept any additional payment from the consumer or consumer's family for services authorized by the agency.
- B. Relatives of vocational rehabilitation consumers will not be approved as a paid service provider unless such individuals are professionally and occupationally engaged in the delivery of such services by offering their services to the general public on a regular and consistent basis.
- C. Either before or at the same time as the initiation or delivery of goods or services, the agency must be in possession of the proper authorizing document. The only exception is in an emergency situation.
- D. If oral authorization of approved services is made in an emergency situation, there must be prompt documentation, and the authorization must be confirmed in writing and forwarded to the provider of the services.
- E. In no instances can LRS purchase services before the certification of eligibility or certification for a trial work period.

V. VERIFICATION/DOCUMENTATION OF APPLICABLE RESOURCES/LIABILITIES

- A. The Counselor must use LRS' form RS-14 to determine the consumer's Financial Need status.
- B. As indicated on form RS-14, the Counselor must obtain documentation of income (including public assistance), disability related expenses, and assets (IRA's, 401(k's), or other qualified retirement plans are not liquid assets and should not be considered as "resources."

Note: Trusts, such as *A Supplemental Needs Trusts for Disabled Persons* are intended to supplement rather than supplant vocational rehabilitation needs of individuals with disabilities. Therefore, LRS will not exempt funds placed in such trusts in the determination of an individual's assets and/or income.

1. Verification of income should be according to the following priority order of sources:
 - a. Adjusted Gross Income from the most current federal tax return, 1040, 1040a, 1040ez.
 - b. Pay stub showing gross income per month, week, etc.
 - c. A written statement from the employer
 - d. Other, such as a written statement from a group home director, shelter director, pastor, etc

- C. Form RS-14 is to be completed by the Counselor and the consumer (or the consumer's authorized representative). This task cannot be delegated to the Rehabilitation Counselor Associate.

- D. Any narrative documentation related to the RS-14 or financial status must be made in AWARE Case Notes.

- E. Regional Managers are not delegated the authority to make exceptions to consumer participation in the cost of services. In those instances of an administrative error on the part of the Counselor/consumer in calculations, verifications, or documentation, such errors must be explained in the case record, approved first by the Regional Manager, and then submitted to the LRS Director for final approval.

VI. READY REFERENCE CHART

Service	Requires RS-14 to determine financial need	Requires Exploration of Comparable Services and/or Similar Benefits
Assessment for determining eligibility and placement in Order of Selection	No	No
Assessment for determining rehabilitation needs	No	No
Guidance/Counseling	No	No
Referral to other Agencies, programs	No	No
Job Placement	No	No
Rehabilitation Technology	No	No
Adjustment/mobility training	No	No
Tuition and course related fees for college/vocational training	Yes	Also, requires maximum efforts to secure grant assistance for training expenses in institutions of higher education
Personal assistance services (example: attendant, scribe, reader, interpreter)	No	Yes
Physical/Mental Restoration	Yes	Yes
Maintenance	Yes	Yes
Transportation	Yes	Yes
Incidental Expenses	Yes	Yes
Books/Supplies/Occupational Tools / Equipment / Licenses / Personal Computers	Yes	Yes
Assistive Technology devices (Refer to Section 412.4 for list)	No (except hearing aids)	No, but Counselor should use any that are readily available. (Refer to 412.04)

Cost services to other family members	Yes	Yes
Discretionary training fees/not included in tuition	Yes	Yes
Home accessibility modifications (are considered Assistive Tech.)	No	No, but counselor should use any that are readily available
Vehicle modifications/renovations (are considered Assistive technology.)	No	No, but counselor should use any that are readily available
Small Business Enterprise Costs (excludes Randolph Sheppard Program)	No, but requires a minimum cash capital contribution of at least 20% of the total transaction	Yes
Any other goods, services not listed	Refer to Part 410	Refer to Part 411 above

NOTE: The same guidelines apply for post-employment services consisting of any of the above-listed services.

FOR EXCEPTIONS to the search for comparable services and similar benefits, refer to Part 410.