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## **VR Performance Incentive Payments: Frequently Asked Questions August 2023**

Indiana Vocational Rehabilitation (VR) supports eligible individuals with disabilities in achieving competitive, integrated employment (CIE). VR supports individuals to achieve a wide array of CIE outcomes, including part-time or full-time work, entry-level or advanced positions, and salaries or wages ranging from minimum wage to well above minimum wage. New VR performance incentive payments were introduced in July, 2023 to support individuals to strive for improved outcomes at or above a living wage, and with increased access to the benefits of full-time employment.

DDRS and VR are implementing a number of innovative strategies and programs that support participants with a wide range of experiences and goals to reach their good life. VR recognizes that not all VR participants will seek employment that meets performance incentive payment benchmarks. VR will continue to provide funding through the menu of employment services outlined in the Employment Services Manual to support all eligible individuals in achieving competitive, integrated employment.

This incentive payment structure will provide additional outcome payments to employment service providers when their efforts through employment services result in the placement of participants into CIE outcomes that meet the criteria outlined in the [Manual of Employment Services Addendum: Performance Incentive Payments](#). These criteria are also outlined in the question 2 below.

For additional information about the incentive opportunity, please view the [recorded webinar](#). Additionally, below are answers to some of the most common questions VR has received from providers and VR staff about the incentive payment structure. Additional questions and answers may be provided as there are additional questions and lessons learned during initial implementation.

### **1. When will incentive payments become available?**

Immediately! Participant cases reaching stabilization + 90 days, on or after July 1, 2023, with outcomes that meet one or more performance incentive payment benchmarks, qualify for incentive payments. This only includes participants who received VR employment services and have an open case with VR. Incentives payments cannot be made on cases that have closed.



## 2. What are the criteria to reach incentive payment benchmarks?

Providers will qualify for incentive payments for participants' whose competitive, integrated employment (CIE) outcomes meet one or more of the following benchmark thresholds.

Criteria	Benchmark Thresholds
Hourly Wage	\$15.78+
Hours per Week	30+
Health Insurance/Benefits	Private Insurance (employer) offered

Cases reaching multiple criteria qualify for larger incentive payments, as outlined below.

Benchmark Level	Number of Criteria Met	Benchmark Rate
Performance Incentive Payment Level 1	1	\$226
Performance Incentive Payment Level 2	2	\$791
Performance Incentive Payment Level 3	3	\$1,356

## 3. What documentation needs to be submitted to authorize these incentives?

Providers will need to submit a Stabilization Notification form, which includes a section to outline wages, weekly work hours, and status of employer offered health benefits.

## 4. What documentation needs to be submitted to claim these incentives?

In addition to a claim, supporting documentation must be submitted to validate hours, wages, and/or health benefits offered as outlined on the Stabilization Notification form. For example, an offer letter outlining these factors, or other documentation of these factors from an employer.

## 5. What service codes are used to authorize these payments?

Service code is determined by the payment level authorized. The codes are presented below.

Service	Service Code	Rate
Performance Incentive Payment Level 1	80-06	\$226
Performance Incentive Payment Level 2	80-07	\$791
Performance Incentive Payment Level 3	80-08	\$1,356

## **6. Why were these benchmarks selected?**

The wage benchmark of \$15.78 per hour was selected as it represents a living wage for a single, childless adult living in Indiana, according to cost surveys done by the Massachusetts Institute of Technology<sup>1</sup>.

The hours benchmark of 30 hours per week was selected as, according to the Internal Revenue Service, this represents full-time employment<sup>2</sup>.

Health benefits were selected as they are required to be offered to full-time employees. Additionally, many individuals may find these present them with greater options and independence.

## **7. Do participants need to utilize employer-sponsored health insurance (ESI) for a provider to receive an incentive payment?**

No, an offer of ESI qualifies for the benchmark. An individual's choice of health insurance coverage should be driven by what they feel is best for their situation. Participants are not required to take the offer of ESI for an employment services provider to receive the incentive payments, only be offered it.

## **8. Are these incentives only available for providers who were authorized Milestone services?**

No. For example, a provider may be authorized hourly services instead of milestone services to support a person who is struggling to maintain their current job placement. Once the person is stabilized in that position the Stabilization Notification form must be submitted to the VR Counselor. If the person's job meets the work incentive benchmark(s), VR will authorize the applicable performance incentive authorization. Claims must be submitted no sooner than 90 days after stabilization date, with appropriate supporting documentation.

## **9. Where can I find the written information about this process?**

The [VR Employment Services webpage](#) includes all employment services documents, training materials, as well as the Manual of Employment services and [Manual of Employment Services Addendum: Performance Incentive Payments](#).

## **10. Are these performance incentives available to Community Mental Health Center IPS early adopter sites? Are they available to SE+ provider pilot sites?**

Yes

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<sup>1</sup> <https://livingwage.mit.edu/states/18>

<sup>2</sup> [Identifying Full-Time Employees](#)

**11. Will VR continue to serve individuals who don't want to work more hours or increase their wages for fear of losing their benefits?**

Indiana VR will continue to support individuals who are interested in competitive integrated employment whether it's a few hours a week at minimum wage or full-time employment at a high wage. VR encourages providers to have individualized approaches with VR participants regarding benefits counseling and ensure that people are provided with multiple scenarios and different opportunities to maximize their earnings and health coverage. Our goal is for individuals to have accurate information and understand different scenarios to make an informed choice about their job opportunities. Staff working with participants can sometimes unintentionally share inaccurate or incomplete information about benefits and employment. Accurate information should be provided by a certified Benefits Information Network liaison or a Certified Work Incentives Coordinator.