

Section 12 / Part 7

Effective Date: May 14, 2007

Length of document: 6 pages

Maintenance procedures effective immediately

MEMORANDUM

To: Rehabilitation Services Program Administrators
Rehabilitation Managers

From: Peg Spencer

Date: May 14, 2007

Re: Maintenance procedures effective immediately

The following federal regulations and state procedures should be implemented immediately regarding the provision of maintenance. The maintenance section of the RS Manual will be updated at the next revision to reflect these updates.

Correct application of the maintenance regulation

KRS staff will give focused attention to the correct application of the following federal regulation on maintenance.

Maintenance means monetary support provided to an individual for expenses, such as food, shelter, and clothing, that are in excess of the normal expenses of the individual and that are necessitated by the individual's participation in an assessment for determining eligibility and vocational rehabilitation needs, or the individual's receipt of vocational rehabilitation services under an individualized plan for employment. (Authority: Sections 12(c) and 103(a)(7) of the Act; 29 U.S.C. 709(c) and 723(a)(7))

(i) Examples: The following are examples of expenses that would meet the definition of maintenance. The examples are illustrative, do not address all possible circumstances, and are not intended to substitute for individual counselor judgment.

Example 1: The cost of a uniform or other suitable clothing that is required for an individual's job placement or job-seeking activities.

Example 2: The cost of short-term shelter that is required in order for an individual to participate in assessment activities or vocational training at a site that is not within commuting distance of an individual's home.

- Example 3: The initial one-time costs, such as a security deposit or charges for the initiation of utilities, that are required in order for an individual to relocate for a job placement.
- Example 4: The costs of an individual's participation in enrichment activities related to that individual's training program.

34 CFR Part 361.5 (35)

Procedures for corrections

All existing maintenance payments will be reviewed to assure that they are in compliance with the federal rule stated above.

Effective date of correction: If errors are discovered, timely corrections must be made. The standard effective date for implementing corrections is 60 days after the first of the month following discovery of the error. This provides individuals at least 60 days notice, often more. Example: Error is discovered on May 10. The first of the month following May 10 is June 1. Calculate 60 days from June 1 = August 1. August 1 is the effective date of the correction.

Exceptions to corrections: Exceptions to corrections must be approved by Central Office. Contact Eunice Thompson to request an exception that would extend the timeframe for implementing the correction by an additional 2 months or less. Contact Michael Donnelly for any further exceptions. Program Administrators in each Region will establish regional procedures for routing such exceptions prior to sending them to the Central Office. Exceptions should include detailed rationale for requesting the exception, including:

- * An analysis of the client's resources
- * An analysis of the client's increased costs due to participating in VR
- * An analysis of the impact of the change in maintenance on the individual's plan and progress toward employment
- * A specific discussion of the comparable benefits search that was undertaken

Consumer notification: If corrections (such as a reduction in the amount or discontinuation) need to be made, the following steps will be taken:

Step 1: Counselor discusses the potential change in maintenance with the consumer in person or by phone. Determine if there is more current information that should be considered prior to the final decision to reduce or eliminate maintenance. For example, have the individual's expenses increased recently as a direct result of their participation in IPE? (Keep in mind the federal rule: such expenses must be in excess of the normal expenses of the individual and such expenses must be necessitated by the person's participation in VR.) Tell the consumer you will confirm the correction in writing.

Step 2: If the Counselor believes there is sufficient rationale to request an exception, such a request should be initiated prior to the final written notification to the consumer. Please see the information above related to requirements for exceptions.

Step 3: Once the final decision has been made to make a correction, including any exception decisions, the Counselor will insert consumer specific information in the following form letter.

Text of letter: Please note that options or fill-in-the-blanks for the letter appear in all capital letters.

As you know from our PHONE CALL/MEETING on DATE, my supervisor and I have reviewed your case. We discovered that your maintenance payments have been TOO HIGH/PAID INCORRECTLY.

In deciding how much maintenance money you can receive, we must follow strict federal rules. Therefore, I'm writing to tell you that your maintenance payments will be REDUCED TO \$_____/STOPPED effective DATE.

If your expenses resulting from your participation in your VR plan change in the future, please let me know so we can review this issue again.

If you have any questions, I encourage you to call me or my supervisor (NAME, PHONE). After that, if you still disagree with this decision you do have appeal rights. You may request an Administrative Review by contacting NAME, Program Administrator, at PHONE NUMBER. You may call the Client Assistance Program at 1-877-776-1541 for assistance. You also have the right to request a Fair Hearing by contacting Michael Donnelly, Rehabilitation Services Director, at (785) 267-5301.

Changing to first-of-the-month processing

Effective with maintenance and transportation payments intended for July 2007 and thereafter, all such payments will be shifted to first-of-the month processing.

Procedures for July 2007 checks: The following procedures relate to checks that consumers would normally expect to receive at the end of June which are intended to cover the month of July. Counselors should insert consumer specific information in the following form letter. It should be mailed at three different times to assure sufficient notice:

- * Immediately
- * June 1
- * June 20

From now until the end of June, Counselors should also discuss this change with affected consumers at regularly scheduled meetings or through phone calls for this purpose.

Text of letter: Please note that options or fill-in-the-blanks for the letter appear in all capital letters.

I'm writing to inform you that the arrival date of your monthly MAINTENANCE AND/OR TRANSPORTATION check is changing. Beginning in July 2007, you can expect to get your check between the 5th and 10th of each month.

Please contact me if you need help to plan for this change. You may also want to inform your landlord or others with whom you have regular payments about this change. They may be willing to discuss shifting your due dates to the 10th or later. This letter can be used to verify the change in our processing date.

If you have any questions, I encourage you to call me or my supervisor (NAME, PHONE). Or you may call the Client Assistance Program at 1-877-776-1541. Thank you.

Exception for penalties: Some staff have expressed concern that this new processing schedule may pose problems for consumers who rely on VR funds for bills such as rent due at the first of the month. The letter encourages consumers to contact their landlords or others to determine if due dates can be shifted. With authorization from the consumer, counselors are encouraged to assist with this process of negotiating due dates. If negotiations are not successful and if the consumer would incur a late fee, the following exception process

may be used:

- * The Program Administrator may send a request for an exception to Eunice Thompson detailing the steps taken to try to negotiate late fees, penalties or due dates, including the amount of potential late fees. The request should also include the number of months for which the imprest-use exception is being requested.
- * With Eunice's approval, the Counselor may request a regional imprest fund check on the first of the month in order to get the funds to the consumer earlier and avoid late fees. Such imprest checks may not be issued in the prior month. Such imprest authorizations would need to be made each month for the approved time period.

Checks currently issued on mid-month schedule: There are some instances where consumers currently receive their checks on a mid-month schedule. Effective July 1, all maintenance checks will be issued on the standard first-of-the-month processing. For example, currently the individual's maintenance is intended to cover June 15 through July 14. In such cases, in June the counselor will use a standard authorization to provide the prorated maintenance amount necessary to bring the person to the first-of-the-month processing, and then continue first-of-the-month processing thereafter.

Text of letter: This is an example letter related to changing the mid-month schedule payments. Please note that options or fill-in-the-blanks for the letter appear in all capital letters.

I'm writing to inform you that the arrival date of your monthly MAINTENANCE AND/OR TRANSPORTATION check is changing. At the end of June, you can expect to receive a partial check of \$_____ covering DATE through June 30. Then, beginning in July 2007, you can expect to get your check between the 5th and 10th of each month.

Please contact me if you need help to plan for this change. You may also want to inform your landlord or others with whom you have regular payments about this change. They may be willing to discuss shifting your due dates to the 10th or later. This letter can be used to verify the change in our processing date.

If you have any questions, I encourage you to call me or my supervisor (NAME, PHONE). Or you may call the Client Assistance Program at 1-877-776-1541. Thank you.

On-going procedures related to first-of-the-month processing

All maintenance and transportation checks must be issued at the first of the month. If an individual's plan begins mid-month, issue a one-time standard authorization for the prorated amount to cover the time period from the specific mid-month date to the last date of the month. Thereafter, the checks will be processed at the first-of-the-month for the month of coverage. Checks will no longer be issued in the prior month. Checks processed the first of July are intended for maintenance expenses for the full month of July, for example.

If consumers will not be receiving maintenance through the summer, but you expect to re-start this service in the fall, please be sure you discuss the change in schedule with them.

Use of standard and monthly authorization processes

The standard and monthly payment authorizations processes should be used under most circumstances to make maintenance or transportation payments. It is expected that use of imprest funds for monthly maintenance and transportation payments will be reduced significantly, if not eliminated, for all instances except the specific exception related to late fees or penalties.

The last working day of the month is the cut-off date for the monthly list. This means you can add a person to the monthly maintenance list as late as the last working day of the month and still have the check processed as part of the standard first-of-the month cycle.