



Vocational Rehabilitation (VR) Program Manual Revisions 2023

FINANCIAL NEED ASSESSMENT

Revision Summary – Revised VR policy to limit the requirement of a financial need assessment only for services subject to financial need; to clarify the definition of household member; to move some services to Services Not Subject to Financial Need; and to update the financial need income levels to 138% 2023 Federal Poverty Level and add a table of household members and need level.

VR Policy

- 1. A financial need assessment must be conducted when there are services on the initial or an amended IPE that are subject to financial need in order to determine the extent, if any, that the individual may be required to participate in the cost of the services. Individuals who have been verified eligible for SSI/SSDI benefits or Families First cash benefits are exempt from a financial need assessment.**
2. When services on the IPE are subject to financial need, the VR Counselor must ensure that the individual or, as appropriate, the individual's representative has a clear understanding of VR policies and procedures for financial need assessment, including how the outcome of the assessment may affect payment for services and requesting an exception, and is actively engaged in obtaining the necessary financial information for conducting a financial need assessment.
3. When required, utilize interpreter or translator services during the Financial Need Assessment process through the appropriate mode of communication or in the individual's native language. If an individual or, as appropriate, the individual's representative requests documents in the individual's native language, contact VR State Office.
- 4. If an individual chooses to not participate in or to not provide the necessary financial information for conducting a financial need assessment, explain that services subject to financial need cannot be provided without a financial need assessment.**
5. A financial need assessment is based on the individual's household income and financial circumstances, the number of individuals living in the household, allowed deductions, approved exception, and the current financial need level established by VR.
6. If more than one household member is receiving VR services subject to financial need, complete a Financial Need Assessment for each eligible member using the household's income for each member. If the eligible individuals' FNAs exceed the financial need level, the amount of participation in the cost of services will depend on each customer's rehabilitation needs and cannot exceed the amount determined for one household member.



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7. Individuals who are determined to meet financial need are exempt from participating in the cost of most VR services using personal funds but are not exempt from applying for and using comparable services and benefits or from paying additional costs when services chosen by the individual exceed the allowable fees established by VR.
- 8. Individuals who are determined to be over financial need are required to participate in the cost of services subject to financial need not to exceed the amount that the individual is over need unless an exception has been approved. Individuals may request an exception to participating in the cost of services.**
9. When an individual is required to participate in the cost of services, determine in conjunction with the individual the amount the individual will pay for services and the payment arrangement and any remaining amount that VR will pay for services, as appropriate. Document the discussion in the case file. The amount that an individual will pay towards the cost of VR services must be included in the appropriate sections of the IPE.
- 10. A financial need assessment for services subject to financial need must be conducted annually or sooner if there is any change in the individual's financial circumstances.**
11. Backdating a financial need assessment is not allowed under any circumstances.

Documentation Requirements

1. Documentation for household income may include:
 - a. Adjusted gross income (AGI) of the individual and/or spouse as shown on the most recent completed joint or separate Federal income tax returns (if separate, add together for AGI);
 - b. Adjusted gross income (AGI) of the household contributors providing more than half of the individual's support as shown on the most recent completed joint or separate Federal income tax returns (if separate, add together for AGI) regardless of whether the individual is claimed on the tax return or lives with the individuals; or
 - c. If a federal income tax return is not available or there have been changes in income, other individual and/or spouse income sources such as paycheck stubs, bank statements, business income receipts or fixed income deposits. Also, if there is no income, explain justification for no income and means of support and determine whether a supporting individual's income should be used based on IRS standards.



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- d. Other income from household contributors other than the eligible individual such as SSA benefits, Families First benefits or other sources.
2. If the individual has documented income and more than half of the individual's support is provided by household contributors (excluding the individual's spouse), only the household contributor's income is documented.
3. If the individual, spouse or supporting person cannot supply the prior year's Federal income tax return, a copy may be obtained at IRS.
4. If the prior year's Federal income tax return has not been filed, then use the most recent tax return that has been filed. When the prior year's tax return is filed, the individual must provide a copy and a new FNA must be completed.
5. Documentation for deductions must show current out-of-pocket payments being made at the time the initial FNA or an annual financial need review is completed. Payments may be for:
 - a. Non-reimbursed household medical or dental expenses.
 - b. Medical insurance premiums for which the individual is included in the coverage.
 - c. Court ordered obligations other than alimony (a copy of the court order is required).
 - d. Post-secondary educational loans of the individual, not other household members.
6. Documentation for exceptions when the financial need level is exceeded may include:
 - a. Current eligibility status and amount of benefit for fixed income.
 - b. Doctor's prescriptions and copy of payments for disability-related expenses.
 - c. Appropriate records justification and payments for any other expenses.
7. SSI/SSDI Verification Status provided by SSA return or by award letter or check.
8. Verification of Families First cash benefits provided by return.

Conducting a Financial Need Assessment

1. A financial need assessment cannot be conducted until all necessary financial documentation is obtained. Obtain all documentation that will be used to verify public assistance, income, and deductions. Attach the documentation in the case file. Use the appropriate category and description.



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2. Determine appropriate household income or financial circumstances.
3. **The number of household members living in the home includes the individual, all household income contributors, and other individuals being supported by the household income contributors who have been living in the home for more than 6 months. A temporary member who has been living in the home for less than 6 months is not counted.**
4. Determine appropriate deductions.
5. If the individual is 18 years of age or older and has a legal representative, including a parent, contact the legal representative to determine the person's legal authority and appropriate involvement in the individual's financial activities.
6. Individuals who do not meet financial need may request an exception approved by the VR Regional Supervisor to the Total Income amount to reduce the amount over need. Document the exception request in a case note including the reason why an exception is requested and proceed with obtaining documentation to support the request. An exception may be based on:
 - a. Disability-related expenses not paid by other means, which must be documented by itemized list on an annual basis.
 - b. Lack of usable resources based on exceptional circumstances. This may include cases where the household income other than the individual's is based on fixed sources such as SSI/SSDI or SSA retirement or other fixed sources and, after paying for sustenance, household resources are depleted. Sustenance may include food, housing, and essential utilities (water, gas and/or electricity, basic land line or cell phone service). Or another member of the household may have a disability or medical condition that depletes household resources. This does not include circumstances based on personal choices such as overspending or being overextended on credit or loans or other family members in college. Document exceptional circumstances and costs in the case file.

Services Not Subject to Financial Need

1. The following services are not based on financial need:



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- a. Assessments for determining eligibility and priority category, including transportation and maintenance, when justified.
- b. Assessments for determining aptitudes, abilities and capabilities, vocational rehabilitation services, and employment objective, including transportation and maintenance, when justified.
- c. Vocational rehabilitation counseling and guidance.
- d. Referral services and other services needed to help applicants and customers secure needed services from other agencies, including other components of the workforce investment system (such as the American Job Centers) and to advise them about the Client Assistance Program (CAP).
- e. Specialized training services include:
 - 1) Personal and vocational adjustment.
 - 2) Orientation and mobility.
 - 3) Prevocational training such as GED, computer literacy, typing, etc.
 - 4) Driver education training.
 - 5) Self-management training such as WRAP.
 - 6) Peer support specialist training.
 - 7) On-the-job training.
 - 8) Internships and apprenticeships.
 - 9) Supported and customized employment.
 - 10) Customized training.**
 - 11) Training services provided by a community rehabilitation facility that are similar to training available at TRC Smyrna, such as office worker, groundskeeper, etc.
- f. Other specialized services include:
 - 1) Specialized services for students enrolled in a degree program.
 - 2) Transitional Learning Services.
 - 3) Pre-employment transition services.



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- 4) Pre-placement services.
- 5) Licenses and permits for an occupation or business.
- 6) Background checks of individuals (including fingerprinting) and drug screens, when required and with approval of the individual.

7) Tools and supplies.

8) Wardrobe and uniforms.

g. Books and training supplies.

h. Assistive technology devices and services.

- i. Employment services, including job readiness training, job development and job placement, job retention services and follow-up or follow-along services.
- j. Personal assistance services to help an individual perform activities of daily living (ADLs) on or off the job. These services (1) are required for the achievement of the employment outcome (2) may be provided only as a support service while the individual is receiving other vocational rehabilitation services and (3) may include training in managing, supervising, and directing personal assistance services.
- k. Any auxiliary aid or service (e.g., interpreter services, reader services, rehabilitation teaching, orientation and mobility services, etc.) that an individual with a disability requires under section 504 of the Rehabilitation Act or the Americans with Disabilities Act or regulations implementing those laws, in order for the individual to participate in the VR program.
- l. Services, including support services, provided at the Tennessee Rehabilitation Center in Smyrna.
- m. Services provided at community Tennessee Rehabilitation Centers, but not including support services.

Services Subject to Financial Need

- 1. The following services are based on financial need:
 - a. Non-assessment support services provided during Trial Work Experiences.
 - b. Physical or mental restoration, including medical care for an acute condition.



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- c. Maintenance and transportation, except as required for assessments or when services are provided at TRC Smyrna.
- d. Tuition and fees for post-secondary training.
- e. Computers and electronic equipment.
- f. Prescribed eyeglasses to correct visual acuity to 20/20.
- g. Rehabilitation technology items and services that are personal or physical restoration in nature, including but not limited to:
 - 1) Personal or physical restoration devices such as hearing aids;
 - 2) Wheelchairs;
 - 3) Readers, interpreters, or other devices or services that are for personal use;
 - 4) Vehicle modification services, including repairs; and
 - 5) Other devices or services of a personal nature.
- h. Initial stock (including livestock), supplies, and other goods and services approved for self-employment.
- i. Post-employment services or services to family members, except for those services listed under services not based on need.
- j. Any other goods or services not excluded under services not based on need.

Individual Provides False Financial Information

1. If, after the financial need assessment is completed, it is suspected that the individual provided false financial information, determine if there is sufficient evidence that the individual provided the false information intentionally.
2. If the evidence indicates that the individual provided false information intentionally, notify the VR Regional Supervisor, who will determine if OIG should investigate. If it is determined that OIG should investigate, contact the Human Services Fraud Hotline at 1-800-241-2629 or within the Nashville area 615-741-7445 or email at InspectorGeneral.DHS@tn.gov.
3. If the DHS fraud unit initiates an investigation, notify the individual using a Customer Notification Letter stating the circumstances and that all services based on need will be suspended until the investigation is completed and an accounting of any money owed VR is determined.



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4. If the DHS fraud unit does not initiate an investigation or the VR Regional Supervisor does not recommend contacting the DHS fraud unit or the DHS fraud unit does not investigate, services will continue while the VR Counselor works with the individual to obtain the correct financial information and complete a new financial need assessment.
5. If the DHS fraud unit determines that VR is owed money, the amount owed must be paid in full before VR can pay for further services. Amend the IPE to describe the individual's payment for services and conditions to resume VR payment for services.

VR Procedures

Document discussions and active involvement with the individual or, as appropriate, the individual's representative regarding obtaining the necessary financial information and completing a financial need assessment, understanding exceptions and how the outcome of the assessment may affect payment for services in a case note, including information on supports that may be available for completing a financial need assessment or participation in the cost of services.

Documentation and Verification

1. Attach the individual's financial information in the case file. Financial information may include:
 - a. 1040 federal income tax return.
 - b. Documentation for other income.
 - c. Documentation supporting SSI/SDDI benefits.
2. SSI/SSDI Verification Status provided by SSA can be found on the Intake page or the Special Programs page under the Financial section, Public Support.
3. An individual may be eligible for both SSDI and SSI.
4. SSI/SSDI verification provided by award letter or check:
 - a. The letter must be dated within the previous ninety (90) days and must show current benefit status and benefit amount. Documented the letter in the case file.
 - b. Enter the SSI/SSDI benefit amount on the Intake page or the Special Programs page.
 - c. Verify the type of benefit and benefit amount when it is available on the Intake or Specials Programs page.



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- d. A current copy of the individual's SSI or SSDI check or electronic deposit.
Documented the check or deposit document in the case file.
5. Verification of Families First cash benefits will show on the Intake page or the Special Programs page under the Financial section, Public Support.

Financial Need Assessment Page

1. Click on "New" and "Financial Needs Assessment" to open the Financial Needs Assessment page. The income levels used in the calculation are in the Aware System financial need table by number of dependents.
2. The "Assessment Date" will auto-populate.
3. For "Number of Planned Months" select 12.
4. Select the "Number of Dependents (Including Participant)" based on the criteria for being considered a household member.
5. If the individual has declined to provide documentation of financial circumstances, check the box under "Declination Statement" and the Financial Needs Assessment is completed. Only services not based on need may be provided.
6. If the individual is a recipient of Supplemental Security Income (SSI), Social Security Disabilities Insurance (SSDI), or Families First/TANF benefits, check the appropriate box under "Financial Exemption" and the Financial Needs Assessment is completed. The individual is considered to meet financial and may be provided services base on need. This does not exclude the individual from paying for services using comparable benefits.
7. If the individual will only be receiving services that are not based on need, check the box "Services that individuals are receiving do not require an FNA" under "Financial Exemption" and the Financial Needs Assessment is completed.
8. For individuals that do not have an Exclusion, obtain appropriate documentation for income and deductions, and enter the Total Income from all income sources and the Total Deductions for all allowed deductions.
9. "Voluntary Participant Participation" may be used if the individual volunteers to use personal funds that are not required to be used.
10. Click the "Refresh Calculations" button to calculate the "Total Plan Participant Participation":



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- a. If "0", the individual is considered to meet financial need and may be provided services base on need. This does not exclude the individual from paying for services using comparable benefits.
 - b. If greater than "0", the individual is required to participate in the cost of services based on the amount over need.
11. The narrative box titled, "Participant's Income and Deduction Narrative" must be used to report an individual's sources of income documentation and amounts for each and deduction documentation and amounts for each. If there is only one source of income and only one deduction reported in the narrative, then only the source of income documentation and the deduction documentation is required because the amounts are reported in the total income and total deduction fields. For example, source of income documentation can be income tax return and deduction documentation can be medical payments for surgery.
 12. When completed, click "Finish" to save the FNA. The FNA cannot be revised after it is saved. Open a new FNA if revisions are needed.

Exception to Financial Need

1. If the "Total Plan Participant Participation" is greater than 0 and the customer requests an exception, Document the request in a case note including the reason why an exception is requested and proceed with obtaining documentation to support the request.
2. After obtaining appropriate documentation, request VR Regional Supervisor approval and document approval in the case file.
3. After obtaining VR Regional Supervisor approval, open a new FNA and deduct the amount of the expenses or income approved for the exception from the Total Income amount on the previous FNA and re-calculate the "Total Plan Participant Participation".
4. In the "Participant's Income and Deductions" Narrative text box document the previous Total Income and the amount deducted including the date the exception was requested, the approved exceptions and amounts, and the date the exception was approved.

Financial Need Income Levels



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Number of Household Members	Income Level 138% 2023 FPL
1	\$ 20,120
2	\$ 27,214
3	\$ 34,307
4	\$ 41,400
5	\$ 48,493
6	\$ 55,586
7	\$ 62,680
8	\$ 69,773
9	\$74,913
10	\$80,053

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