

## **ARIZONA DEPARTMENT OF ECONOMIC SECURITY**

**Program Name:** Vocational Rehabilitation (VR)

**Policy Number:** VR-7.3-v6

**Effective Date:** July 1, 2008

**Last Revision:** September 30, 2022

**CHAPTER 7:** General Services

**Section 7.3:** Economic Need

### **I. Policy Statement**

VR will consider the economic need of the client to determine the level of participation and cost of services in the approved Individualized Plan of Employment (IPE). The purpose of economic need criteria is to verify if the client can contribute, in whole or in part, to the cost of services. This policy applies universally to all applicants/clients.

### **II. Authority**

Authority for policies contained in this document includes the following:

- Workforce Innovation and Opportunity Act (WIOA), 29 U.S.C. § 3101 et seq.
- Title IV Amendments to the Rehabilitation Act of 1973, 29 U.S.C. § 701 et seq.
- State Vocational Rehabilitation Services Program, 34 C.F.R. § Participation of individuals in cost of services base on financial need 361.54
- A.R.S. §§ 23-502 and 503
- Arizona Administrative Code, Title 6, Chapter 4 Economic need and similar benefits R6-4-403 (A)
- Technical Assistance Circular, RSA-TAC-22-03, Prohibition Against Applying Financial Needs Tests or Requiring Cost Participation as a Condition for the Receipt of Vocational Rehabilitation Services for SSI and SSDI Recipients

### **III. Applicability**

- A. This applies to all clients that request VR services that are contingent on economic need. The client must provide any of the following applicable documents to determine economic need:

1. The most current U.S. federal income tax statement with the adjusted gross income listed belonging to the client, or individual who claimed the client as a dependent,
  2. Current Social Security Award letter for SSI or SSDI beneficiaries based on the client's own disability,
  3. Documentation that the client is a Ward of the Court/State,
  4. Documentation of the client's current eligibility for any government assistance which is based on poverty or median income guidelines, or
  5. Any other credible or verifiable documentation related to economic status which may include paycheck stubs, W2 forms, bank statements or eligibility for unemployment benefits.
  6. Complete the Zero Income Declaration form in circumstances when the client does not have any source of income.
- B. Failure to submit the required documentations will result in an automatic determination the client does not meet economic need.

#### **IV. Standards**

- A. The VR Counselor must determine economic need after determining eligibility or prior to developing IPE.
- B. Any disability related costs may be subtracted from the client's or their family's adjusted gross income in instances when the client or their family:
1. Pays for their services,
  2. Does not claim these costs as deductions on their income tax statements,
  3. Does not receive reimbursement for the costs from any other public or private source, and
  4. Provides documentation which verifies the cost of the disability related need is already subtracted from the client's adjusted gross income.
- C. The following circumstances exempt clients from economic need criteria when they are:
1. A current SSI/SSDI recipient under Titles II or XVI based on their own disability,
  2. A ward of the court, or
  3. Qualified for government assistance based on poverty or median income guidelines.

- D. The income of the person who claims the client as a dependent on the most recent federal income tax return or the income of the person legally responsible for the client must be used to determine economic need.
- E. In instances when the client is not claimed as a dependent on anyone's federal income tax return and no one is legally financially responsible for the client, the client's income must be used to determine economic need.
- F. In instances when a client has a fiduciary guardian, conditions under IV. D applies.
- G. In instances when the client is married, the spousal income applies only when the client and spouse file their tax return jointly.
- H. In instances when a client who is a minor and a current SSI/SSDI recipient under Titles II or XVI based on their own disability, the parent(s) or guardian(s) federal income tax return is not necessary.
- I. The following VR services are not contingent upon economic need:
  - 1. Assessment for determining eligibility and Order of Selection priority category,
  - 2. Assessment to determine VR service needs,
  - 3. Vocational counseling and guidance,
  - 4. Information and referral services,
  - 5. Job-related services,
  - 6. Personal Assistance services, and
  - 7. Any auxiliary aid or services which requires a client to participate in the VR program.
- J. The following VR services are contingent upon economic need:
  - 1. Private counseling services,
  - 2. Treatment services,
  - 3. Books, tools, computers, software, tape recorders, and other training materials necessary to complete basic educations, skills/vocational/technical training, or post-secondary education,
  - 4. Occupational licenses, tools, computers, or equipment required for work,
  - 5. Transportation cost, except when in support of an evaluation or adjustment to disability service,
  - 6. Maintenance, and
  - 7. Childcare services.

- K. Economic need must also be determined for any family member that receives any services listed IV. I above.
- L. A client will meet economic need if the client’s family adjusted gross income is at or below 100 percent of the current Arizona median income for the family size as published annually in the VR Economic Need Chart below.

Family Size	Monthly Income
1	\$3,085.00
2	\$4,034.00
3	\$4,984.00
4	\$5,933.00
5	\$6,882.00
6	\$7,831.00
7	\$8,009.00
8	\$8,187.00
9	\$8,365.00
10	\$8,543.00
11	\$8,721.00
12	\$8,899.00

(Note: This information is already pre-calculated on the Economic Need worksheet in the Libera Case Management system).

- M. The household or family unit includes the number of individuals claimed on the federal tax return of the person’s income used to determine economic need.
- N. Economic need will be re-determined in the event the client’s financial situation changes since the most recent economic need decision and the redetermination will benefit the client.
- O. The client’s past year earnings will not be counted towards computing economic need if the client or individual who claims the client is no longer employed and has no income.
- P. The VR Counselor must determine the client does not meet economic need if they do not provide the requested and required documentation to support an economic need decision.
- Q. In instances when the client is not a recipient of any government assistance or does not have income, the VR Counselor must have the client complete and sign the Zero Income Declaration form.

**V. Procedure**

- A. Refer to IV. A-B, D-G, N, and P above.

- B. The VR Counselor must complete the Economic Status Report in the ECF.
- C. Refer to Standard Work-Completing the Economic Status Report.

## **VI. Documentation Requirements**

The client's electronic case file must include the following:

- A. All documentation used to support the economic need decision:
  - 1. SSA Award letter,
  - 2. Documentation showing receipt of government assistance,
  - 3. Documentation of Ward of Court/State (if applicable),
  - 4. Most recent federal tax return form,
  - 5. W2 forms,
  - 6. Paycheck stubs,
  - 7. Bank statements, or
  - 8. Zero Income Declaration form (if applicable).