

ARIZONA DEPARTMENT OF ECONOMIC SECURITY

Program Name: Vocational Rehabilitation (VR)

Policy Number: VR-7.3-v8

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CHAPTER 7: General Services

Section 7.3: Economic Need Assessment

I. Policy Statement

The Vocational Rehabilitation (VR) program assesses the economic need of clients to determine their level of financial contribution towards the costs of their VR service needs. This policy outlines the guidelines for the Economic Need Assessment.

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 CFR § 361.54, Participation of individuals in cost of services based on financial need.
- Arizona Revised Statutes:
 - § 23-502, and
 - § 23-503.
- Arizona Administrative Code, Title 6, Chapter 4, § R6-4-206 (D), Economic need.
- 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

This policy applies to applicants and clients who wish to participate in Vocational Rehabilitation (VR) services that require an Economic Need Assessment.

IV. Standards

A. General Provisions

1. The Economic Need Assessment is a review of an applicant's/client's financial situation to determine their level of participation in the cost of Vocational Rehabilitation (VR) services.
2. The Economic Need Assessment is used to determine whether an applicant/client is eligible for VR services that are subject to economic need.
3. The Economic Need Assessment is required for applicants/clients who wish to participate in VR services contingent upon economic need.
4. VR does not fund VR services based on economic need when an applicant/client does not meet economic need, per the Economic Need Assessment.
5. VR Methods for Assessing Economic Need:
 - a) VR applies the 200% federal poverty level guidelines established by the U.S. Department of Health and Human Services (HHS) to assess an applicant's/client's economic need.
 - b) An applicant's/client's adjusted gross income, which is calculated from a client's annual income and the number of household members, minus any applicable disability-related expenses, is used to determine economic need. The adjusted gross income is compared to the 200% HHS federal poverty level guidelines to determine if the applicant/client meets economic need.
6. Applicants/clients have the option to waive their right to participate in the Economic Need Assessment. If an applicant/client chooses not to participate in the Economic Need Assessment, they will be determined to not meet economic need.
7. An applicant/client who does not meet economic need but requires services dependent on economic need will be responsible for acquiring and covering the cost of those services on their own if they would like to participate in those services.
8. Applicants and Clients Exempt from an Economic Need Assessment:
 - a) VR does not require an Economic Need Assessment for applicants/clients who are eligible for the following Social Security benefits under the Social Security Act:
 - (1) Title II, Social Security Disability Insurance (SSDI), and
 - (2) Title XVI, Supplemental Security Income (SSI).

- b) The applicant/client must qualify for SSI and SSDI benefits based on their own disability.

9. VR Services That Do Not Require an Economic Need Assessment

- a) Per federal regulations, VR cannot apply an Economic Need Assessment to the following services:
 - (1) Assessment for determining eligibility and Order of Selection priority category, except those non-assessment services that are provided to an individual with a significant disability during either an exploration of the individual's abilities, capabilities, and capacity to perform in work situations through the use of trial work experiences,
 - (2) Assessment for determining vocational rehabilitation service needs,
 - (3) Vocational rehabilitation counseling and guidance,
 - (4) Information and referral services,
 - (5) Job-related services,
 - (6) Personal Assistance services, and
 - (7) Any auxiliary aid or service 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, for the individual to participate in the VR program.
- b) Arizona Department of Economic Security (DES) VR does not apply an Economic Need Assessment to the following services:
 - (1) Tuition for basic academic remedial training and postsecondary education and training,
 - (2) Supported education,
 - (3) On-the-Job (OJT), apprenticeship, and miscellaneous training,
 - (4) Pre-employment transition services (Pre-ETS),
 - (5) Self-Employment consultation, training, and initial supplies,
 - (6) Disability-related skills training,
 - (7) Assistive technology equipment,
 - (8) Home modifications,
 - (9) Vehicle modifications, including fitting and follow-up services, and

- (10) Transportation services that are required to participate in assessments used to determine eligibility and Order of Selection priority category, and assessments used to determine vocational rehabilitation service needs.

10. VR Services that Require an Economic Need Assessment

- a) Private counseling services,
- b) Treatment services,
- c) Books, tools, computers, software, tape recorders, and other training materials necessary to complete basic education, skills/vocational/technical training, or postsecondary education,
- d) Occupational licenses, tools, computers, or equipment required for work,
- e) Transportation costs, except when in support of an evaluation or adjustment to disability service,
- f) Maintenance, and
- g) Childcare services.

B. Completing the Economic Need Assessment

1. Annual Income:

- a) The following documentation is used to document an applicant's/client's annual income:
 - (1) The most recent State or federal income tax documents filed by the applicant/client, or if the applicant or client is claimed as a dependent, the State or federal income tax statement filed by the person who claimed the applicant/client,
 - (2) Current pay stubs or bank statements that show a direct deposit of income,
 - (3) Financial documentation that shows the income of the applicant/client, or
 - (4) If another person financially supports the applicant/client, the financial documentation of the person who supports the applicant/client is required.
- b) VR will not count a client's past year's earnings toward calculating economic need if the client or the person who supported or claimed the individual as a dependent on the most recent State or federal tax return provides proof that the individual is not employed at the time of completing the Economic Need Assessment.

2. Disability-Related Expenses: VR must deduct any disability-related expenses paid by the client, which are not reimbursed, from the individual's total income or from the income of the person who claimed the individual as a dependent. VR must deduct these expenses when the client:
 - a) Paid for the expenditure,
 - b) Provides evidence that these expenditures are not claimed as deductions on income tax statements,
 - c) Does not receive reimbursement for the expenses from any other public or private source, and
 - d) Provides documentation that verifies the disability-related expenditures were paid during the tax year in which economic need is being determined.
3. Applicants/clients who do not provide the required documentation to complete the Economic Need Assessment will be determined not to meet economic need.
4. When an applicant/client does not have any income, the Zero Income Declaration form must be completed and signed by the client.

C. Redetermination of Economic Need

1. Clients must report any changes in their financial situation to VR within 20 calendar days.
2. Economic need may be reassessed only if it will benefit the client.

V. Procedure

- A. The VR Counselor must complete the Economic Need Assessment in the case management system.
- B. Refer to the RSA Allowable Service Document for a comprehensive list of VR services and the Economic Need Assessment requirement for each service.
- C. Refer to Standard Work-Completing the Economic Need Assessment (ENA).
- D. Completing the Economic Need Assessment:
 1. The Economic Need Assessment must be completed for all applicants/clients who require VR services that are based on economic need determination.
 2. The applicant's/client's income is used to complete the Economic Need Assessment, unless the client is claimed as a dependent on anyone's federal income tax return or someone is legally financially responsible for the client.

3. Applicants/clients receiving SSI or SSDI benefits due to their own disability, who are either minors or have a court-appointed guardian, do not need to provide their parents' or legal guardian's annual income information.
4. Calculating Annual Income:
 - a) For federal income tax return documentation, the adjusted gross income is used as the annual income.
 - b) For State income tax return documentation, use the federal adjusted gross income.
 - c) For current pay stubs, multiply the monthly earnings by 12.
 - d) For bank statements that show a direct deposit of income of the applicant/client, multiply the monthly earnings by 12.
 - e) In instances when the client is married, the spousal income applies only when the client and spouse file their tax return jointly.
 - f) The documentation used to determine annual income must be from the same calendar year that the Economic Need Assessment is being determined.
5. VR must deduct any disability-related expenses paid by the client as outlined in section IV.(B)(2) of this policy.
6. The documentation used to deduct any disability-related expenses paid by the client must be from the same calendar year that the Economic Need Assessment is being determined.
7. The household members include:
 - a) The number of individuals reported on the income tax documentation, or
 - b) The applicant's/client's legal spouse and dependents, if information other than tax return information was used to determine economic need.

VI. Documentation Requirements

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

- A. All documentation used to support the Economic Need Assessment,
- B. Social Security Administration (SSA) award letter for clients who are recipients of SSI and SSDI,
- C. Most recent federal tax return form (if applicable),
- D. W2 forms (if applicable),

- E. Paycheck stubs (if applicable),
- F. Bank statements (if applicable), or
- G. Zero Income Declaration form (if applicable).

Draft - Public Comment