**Postsecondary Education and Training Services for Vocational Rehabilitation** **Customers**

**Discussion Paper**

**Background**

Postsecondary education and training is a vocational rehabilitation (VR) service available to the Texas Workforce Commission’s (TWC) eligible VR customers for whom a degree or credential is necessary to achieve their employment goal.

The types of postsecondary education and training include:

* academic training obtained through an institution of higher education that:
* awards a bachelor’s degree or higher degree; or
* awards an associate degree and transfers credits toward a bachelor’s degree program; and
* vocational and technical training provided through a private career school (proprietary institution) or public community or technical college to achieve:
* a certificate;
* an associate degree; or
* an occupation specific credential.

Consistent with each customer’s individualized plan for employment, TWC must ensure that certain VR services are available to help the individual with a disability find, retain, or advance in employment. that is consistent with the individual’s unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice. These services are identified in 34 CFR §361.48(b)(6) as follows:

“Vocational and other training services, including personal and vocational adjustment training, advanced training in, but not limited to, a field of science, technology, engineering, mathematics (including computer science), medicine, law, or business; books, tools, and other training materials, except that no training or training services in an institution of higher education (universities, colleges, community or junior colleges, vocational schools, technical institutes, or hospital schools of nursing or any other postsecondary education institution) may be paid for with funds under this part unless maximum efforts have been made by the State unit and the individual to secure grant assistance in whole or in part from other sources to pay for that training.”

TWC must ensure that the services are appropriate for VR purposes and that funds are used appropriately, including comparable benefits. TWC rules for VR Services set forth parameters on the provision of these services in 40 TAC §856.45.

Currently, VR purchases postsecondary education and training services from community and technical colleges, universities and proprietary schools. Payment is based on whether the customer is pursuing a degree or certificate. Financial aid, such as Pell Grants, are applied to the customer’s tuition and fees first. Once financial aid is applied, VR pays:

* $173 in tuition per credit hour and associated fees for an associates or bachelor degree, and
* $3,000 for tuition and fees for certificate level training, whether obtained from a public community or technical college, or from a proprietary institution.

**Issues**

VR has identified five issues in current policy that, if addressed, will update and improve policy guidance in VR regarding reasonable and appropriate costs for postsecondary education and training.

1. Current rates for tuition and fees have not been updated in several years and no longer align with postsecondary education costs as reported by institutions of higher education and published by the Texas Higher Education Coordinating Board (THECB). In addition, the current rates do not consider the variation in cost across the different types of institutions of higher education.
2. Policy does not provide sufficient guidance for VR counselors to determine reasonable and appropriate amounts for books and supplies.
3. Policy does not provide sufficient guidance for VR counselors to determine if a VR customer is making timely progress toward completing correspondence and distance learning courses.
4. Policy does not establish a maximum rate for training provided by a paid instructor, where employment in a specific occupation requires a credential for which an industry-certified instructor provides training.
5. Policy in the Vocational Rehabilitation Services Manual (VRSM) must be updated to align with the 40 TAC §856.45, which establishes the maximum amount that VR can pay for tuition and fees for private or out-of-state training at a college, university, technical or state college, or career school.

**Decision Points**

Staff seeks direction to revise VR policy, as follows, to address the issues identified above and create a new methodology, identified below:

* Establish a maximum rate for purchasing postsecondary education and training that is based on the type of Texas Institution of Higher Education (IHE) at which the customer is enrolled, to align with the manner in which IHEs are categorized by THECB:
* Public two-year institution (community college);
* Public technical and state college;
* Public four-year institution (university); and
* Health-related institution (HRI).
* Align the maximum payment for training at a proprietary institution (career school) with the amount for same or similar training offered by public community colleges as published by the THECB on the College for All Texans website.
* Establish the maximum rate for each type of IHE as the average cost for that IHE as published on College for All Texans site, plus one standard deviation. This maximum rate will encompass the average cost for 84% of the IHEs in Texas, thereby ensuring the maximum rates cover a wide variety of postsecondary programs and degrees that a VR customer may need based on his or her employment goal. TWC-VR would then pay the lesser of the specific institution’s cost or the calculated maximum IHE rate. TWC-VR would allow a manager to make an exception to the maximum rate for a VR customer, if appropriately justified.
* The following rates are inclusive of tuition and fees:
  + Public community colleges: $125 maximum, per semester hour
  + Public technical and state colleges: $198 maximum; per semester hour
  + Public four-year universities: $359 maximum, per semester hour
  + Health-related institutions: $413 maximum, per semester hour
* Proprietary institutions (career school):
* $125 maximum, per semester hour; or
* $3,750 maximum, per year
* Align the maximum payment for books and supplies per semester/grading period with one standard deviation above the average costs reported by institutions by IHE type and published by the THECB on the College for All Texans website, or as required by course syllabi, whichever is lesser:
* Two-year community college: $1,068
* Technical and state college: $555
* Four-year university: $724
* Health-related institution: $715
* Proprietary institution (career school): $1,068
* Align the progress requirement for VR customers enrolled in correspondence and distance learning courses with the requirements at comparable IHEs.
* Align the tuition and fee rate for training provided by paid instructors with the maximum tuition and fee rate for training at a proprietary institution.
* Align the VRSM with 40 TAC §856.45 regarding payment for academic training at a private college or university in Texas or at a college or university outside Texas with the maximum rate for tuition and fees for a comparable public in-state IHE.

In addition, staff seeks direction on the following proposals regarding future maximum payment updates and implementation of the revised policies:

* Annually, TWC-VR proposes to review and, where necessary, update the maximum payment for postsecondary education and training based on the methodology above and following publication by THECB of the updated average costs for tuition and fees at each type of IHE on the College for All Texans website.
* Implement the revised maximum payments for all customers who are starting VR-sponsored postsecondary education or training on or after July 1, 2019 for time for publication and training.
* For customers enrolled in postsecondary education or training prior to July 1, 2019, apply the new maximum payments for subsequent semesters or terms if the new maximum payments would result in a higher payment.

**Rehabilitation Council of Texas**

VR consulted with the Rehabilitation Council of Texas (RCT) on the proposed policy changes and incorporated the following revisions to address the feedback provided by the RCT:

* Revised prorating policy to require staff to use degree plans based on full-time enrollment in the institution for completion of training in a timely manner.
* Clarified that VR Managers can make exceptions to maximum rates based on the justification of the individualized customer need and access to services.
* Revised “qualified” to “must meet minimum standards for acceptance into the training program”.
* Revised that customers that have a defaulted Guaranteed Student Loan must initiate the process of getting the loan out of default and provide documentation.
* Clarified that required tools and equipment that will be used for employment are not included in the amount for required textbooks and course-related supplies.

RCT recommended to add to policy that a person who is under BLR does not have to participate in the cost of services. VR responded that maximum rates established for education services which VR will pay are established to maximize the VR program’s limited funds. These rates apply to all customers uniformly, whether the customer is on SSI, SSDI, or under the BLR. Any customer exercising their informed choice to select services costing above the maximum rates is responsible for such amounts, unless an exception has been approved by the VR Manager, 40 TAC §§856.59 and 856.60.