

Funding Summary for the IPS Learning Community

In 2020, members of the IPS Learning Community answered a survey to share information about how state mental health authorities and Vocational Rehabilitation fund IPS employment services. This document summarizes the various methods for funding IPS, often referred to as "Braided Funding."

The summary below reflects the responses from the 24 states that were members of the IPS Learning Community in the United States in early 2020.

17 of the 24 states (71%) have some form of Medicaid billing for IPS



7 states (29%) have county funding that pays for IPS services



9 states (38%) have programs where Medicaid reimburses portions of services that meet medical necessity

7 states (29%) have Medicaid waivers or amendments to help fund services (These include **4** demonstration waivers, **2** 1915 (b) (3) waivers, and **1** 1915i waiver.)

Other sources of state funding include:

The Affordable Care Act, Freedom to Work/Medicaid Buy-in, Medicaid Administration Match (50% Federal Funds under Title XIX), Department of Children and Families One Community Partnership³ funds.

15 states (63%) have IPS programs that receive Social Security Administration's Ticket to Work funding.

13 states (54%) have grants that help fund IPS services

The types of grants include:

- SAMHSA MH Block Grants
- State general funds
- WIOA
- COVID funding
- Transition Age Youth Launching Realized Dreams (TAYLRD) grant CFDA: 93-243
- Opioid SOR grant
- Assisted Outpatient Treatment (AOT)
- Supported Employment Demonstration Study
- First Episode Psychosis (On-Track braided funding with Systems of Care/Department of Human Services and Mental Health Block Grant)
- Department of Justice (Asian Association)
- Youth Empowered to Succeed (YES) and Youth Empowered Solutions to Succeed (YESS) grants

24 states (100%) have designated IPS trainers.



14 have full-time designated trainers ranging from 1 to 6 trainers per state.



6 states have a combination of full-time and part-time trainers ranging from 1.5 to 5.5 trainers

4 states have part-time trainers (ranging from 1 to 7 depending on the state).

Types of funding that support trainers include: Mental Health Services Act, State General Funds, SAMSHA OCP3 grant, State Office of Behavioral/Mental Health, Vocational Rehabilitation, CFDA: 93958-Community Mental Health Services Block grant, 1115 Demonstration waiver, county funding.

Other sources of funding that support IPS include: State Block Grant funds, State Vocational Rehabilitation, Federal TANF funding, State General Funds, Mental Health Trust Authority partnership, State Mental Health Reform money, foundation grants, a Managed Care Organization, and one local employer donated funds to implement an IPS program.

7 states (29%) have funding attached to IPS fidelity

2 of those states have either VR milestone payments tied to fidelity or VR pays an enhanced rate for providers meeting minimum fidelity standards.

4 states responded that they do not have funding directly attached to fidelity but the programs are contractually contingent on maintaining good fidelity or higher.

IPS and VR

This section reflects the responses of State Vocational Rehabilitation (VR) agencies that are part of the IPS Learning community in the United States in early 2020.

The summary below reflects the responses of 21 of the 24 states (88%) that are members of the IPS Learning Community in the United States in early 2020.



18 of the 21 VR State agencies purchase time-limited VR services for VR eligible customers.

(One additional state provides IPS teams with State VR placement staff instead of purchasing VR services from IPS providers.)

16 of the states that purchase VR time-limited services (job development and job placement) use some type of Milestone/Outcome payment system.

States that use outcome/milestone have 3-6 steps or payment points. Some pay for additional "bonus" factors (on top of these steps) for certain outcomes such as jobs that pay a certain wage level (SGA level), or employer provided benefits. One state pays more for people considered "intensive."



7 states have specific milestone/outcomes for IPS. The remaining use the same rate for all programs.

Most states do not specify the number of hours of services expected for a certain milestone.

Total available payments:

(if all steps and factors are met)

Range: \$3,800 – \$11,200
(per participant)

Mean: \$5,853 **Median: \$5,905**
(increased from 2018) (increased from 2018)

Some states specify a limit on the number of outcome milestone payments that can be made for an individual with a provider. Examples included: one milestone per case, one per case per provider, once per rolling 12-month cycle per case, twice per case, once per calendar year per case, and one time job placement payment per person/provider. Additionally, one state reimburses \$400 a month for service coaching up to 24 months, allowing for up to \$11,200 over two years.

All states that co-enroll and provide time-limited VR services for VR eligible IPS participants provide additional funding. Generally via fee for service, the additional funding is used for services in support of an individual's employment plan including: benefits analysis/planning, work clothing, tools, equipment, assistive technology, and work supplies.



VR agencies support IPS in a variety of other ways:

- funding for IPS trainers
- funding for Center of Excellence or university-based programs that provide training and technical assistance on IPS
- funding for IPS fidelity reviewers (from community employment programs)
- helping to lead or manage the IPS fidelity review process
- splitting Ticket to Work revenue with providers
- access to business or workforce development staff
- purchasing or providing benefits assistance/planning



2 states report that they have state legislative appropriated funds specifically for IPS.

In 1 of those states the state legislative appropriated fund is managed by the VR agency (not under the VR program) that provides grant funding for IPS. In the other state, the MH agency manages state legislative funds that provide IPS grant funding.

IPS and VR continued

6 states (27%) have developed and published IPS-specific policies, guidelines, or protocols to guide the work of VR counselors who work with IPS. (Other states responded that they consider IPS to be a type of supported employment (SE) and therefore, VR SE policies apply.)

VR agencies indicate that they handle reopening cases on an individual, case-by-case basis. In some cases, consultation with a supervisor is required.

4 states indicate that they use state MH funds for VR state match. (The source of funds was identified as: State Appropriations, unknown, or State Behavioral Health.)



12 state VR agencies have IPS programs targeted for youth transitioning from school to work.



15 states report they have a MOU or Interagency Agreement in place with VR or the Department of Mental Health.



10 of these agreements are IPS specific.

4 of these agreements specifically address the intersection of VR and Medicaid funding.

4 state VR agencies report they have developed written guidance for use of VR funds for people who are eligible for Home and Community Based Waivers.

18 states assign VR counselors in some areas (for some programs) as liaisons to IPS programs.

16 of these states expect eligible individuals to be co-enrolled in VR.

8 states expect or encourage VR liaisons to attend mental health treatment team meetings once a month or periodically as their schedule allows.

All states that assign VR liaisons who co-enroll participants in IPS expect or encourage them to attend monthly/vocational unit meetings with their IPS program(s).

11 states that assign VR counselors to IPS teams encourage them to be part of the IPS programs steering/advisory committees.

6 states encourage VR supervisors to participate on IPS steering/advisory committees.

All states that assign VR liaisons encourage VR staff to be interviewed during an IPS fidelity review.

11 of the IPS state-level VR liaisons are trained to and help conduct IPS fidelity reviews in their state.

4 states also have VR counselors and/or supervisors who have been trained as fidelity reviewers.

One State provides VR placement staff to IPS teams and also has VR Counselor liaisons.

Liaisons may be assigned in states, even if VR isn't directly helping to fund the IPS programs.

Several VR agencies note that they are using IPS with other disability populations including: IDD (3), Welfare/TANF (3), SUD (4), opioid addiction (1), refugees (1), Native Americans (1), victims of sex trafficking (1), and justice involved (1) participants.

Examples of Braided Funding

Below are two examples of how states braided Vocational Rehabilitation and Department of Mental Health funding to support Individual Placement and Support (IPS) services.

State 1 Example

Department of Mental Health (DMH) Funding

SAMSHA block grant via Office Behavioral Health (OBH) and DVR. OBH contracts directly with most of the community mental health centers for an average rate off \$100,000 year for two IPS specialists.



Vocational Rehabilitation (VR) Funding

Job Placement \$600, Stability/Employed \$400, Successful Closure \$200. \$300 a month for application status (up to 2 months), \$300 a month for eligible status (up to 3 months), \$400 a month for Service and Coaching (up to 24 months total).



\$11,200

Potential Total
(per participant)



State 2 Example

Department of Mental Health (DMH) Funding

Medicaid can be billed if employment services are tied to medical necessity for clients being served.



Vocational Rehabilitation (VR) Funding

15 Days of Successful Job Retention = \$1,484, 45 Days of Successful Job Retention = \$2,228, 90 Days of Successful Job Retention = \$3,712



\$7,424

Total
(per participant)



Employment Center