

## V. ECONOMIC NEEDS/COMPARABLE BENEFITS

**An individual's economic need is not used to determine eligibility for VR services. An economic needs assessment is used only to determine if the individual can pay any costs of VR services and if so, how much.** In all cases, no economic needs evaluation will be applied as a condition for furnishing the following VR services:

- 1) Assessment of rehabilitation needs, including rehabilitation technology, except for those services other than of a diagnostic nature which are provided under extended evaluation;
- 2) Counseling, guidance, and referral services, and
- 3) Placement.

In determining an individual's financial resources, the counselor will identify all resources available to the individual and/or spouse. If the individual is a dependent, the resources of the parents will be determined.

**EXCEPTION: SSDI and SSI recipients are exempt from financial need; however, the financial resources form should be completed to assess comparable benefits and gather information for federal reporting.**

Provision of services conditioned on financial need entails:

- 1) Determination of the individual's financial ability or inability to obtain services, either through individual or other resources;
- 2) Determination of the extent ARS will provide these services to the individual lacking sufficient resources.

A need standard in the form of a Normal Living Requirement (NLR) has been established for different family groups and single individuals living alone. The NLR includes amounts for food, shelter, clothing, household maintenance, routine medical care, personal care, recreation, insurance, and personal taxes.

### **NORMAL LIVING REQUIREMENT**

<u>Number of Persons</u>		<u>Monthly Amount</u>
1	\$ 2,800.00	
2	\$ 3,200.00	
3	\$ 3,600.00	
(\$400.00 for each additional family member)		

V-1

Ascertaining an individual's financial resources is an important step in determining ability or inability to pay for rehabilitation services. A resource is considered available only if it is at the individual's disposal when needed. Careful study of the individual's resources is necessary to determine availability.

The provision of certain services to the individual is dependent upon financial need, but the counselor should use discretion upon applying financial need. Stripping the individual of all resources may impair the individual's rehabilitation.

The comparable benefits provision provides VR agencies with an organized method for assessing an individual's eligibility for benefits under other programs. **Any benefit available to individuals under any other program to meet, in whole or in part, the cost of any VR service will be utilized.** This benefit will be considered only to the extent that it is available and timely.

A " **comparable benefit** is not the same as " **determination of economic need** In determination of economic need, the objective is to set the conditions for equitably determining the amount, if any, an individual is expected to participate in the cost of the rehabilitation. In the area of comparable benefits, the objective is to give full consideration to alternative funding sources prior to spending VR funds to purchase consumer services.

**If the individual refuses to apply for services for which the individual may be eligible or if the individual refuses to accept services from another Agency as a comparable benefit when receipt of such services do not interfere with achieving the rehabilitation objective, ARS cannot provide the services using VR funds.**

**Federal VR funds cannot be used to pay training costs in institutions of higher education unless every effort has been made to secure financial assistance, in whole or in part, from other funding sources. In all training cases, the record of services must include evidence that applications were made and the individual will or will not receive assistance.**

Evidence of approval of receipt of financial assistance may be documented through a financial aid award letter. Provided to each student receiving financial assistance, the letter originates at the training institution and lists the type/amount received by semester (quarter). Federal law requires students to accept/reject awards by signing on this letter.

V-2

Repayable loans should not be considered as a comparable benefit or resource.

**Note: Comparable benefits do not include awards and scholarships based on merit.**

### **PROCEDURES - UTILIZING FINANCIAL NEED**

- Exempt SSDI/SSI recipients from financial need assessment/requirements.
- The individual must apply for comparable benefits and documentation of benefits must be placed in the case file, i.e., award letter/Pell Grant.
- The financial resources form (RS-16) must be completed by the time the IPE is developed.
- For those individuals not exempt as recipients of SSI/SSDI, the counselor will verify income by requesting Income Tax returns, copies of earnings statements, PELL grant summary or the individual may be required to request their earnings history from the Social Security Administration.
- Any available benefits will be utilized and must be considered in the provision of services.
- Other than diagnostic services, no authorizations will be issued until financial need is verified.
- In all instances where the Pell Grant is utilized, the counselor will utilize the basic cost of education reported from the school that the individual will attend. The applicable PELL categories are dependent, on campus, dependent off campus, and independent. The basic costs may include tuition, books, fees, room and board, supplies, and transportation.
- Financial need should be re-assessed and a RS-16 completed at Annual Review or at any time the individual's financial situation changes.