

DEPARTMENT OF ASSISTIVE AND REHABILITATIVE SERVICES

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Agency at a Glance

The Legislature created the Department of Assistive and Rehabilitative Services (DARS) in 2003 by consolidating the functions of four agencies: the Texas Rehabilitation Commission, Texas Commission for the Blind, Interagency Council on Early Childhood Intervention, and Texas Commission for the Deaf and Hard of Hearing. DARS works with Texans with disabilities and families with children who have developmental delays to improve the quality of their lives and to enable their full participation in society. To achieve its mission, DARS focuses on providing time-limited services through the following key activities.

- Providing Texans who have disabilities with assistance in preparing for, finding, and retaining employment.
- Helping Texans with disabilities gain functionality, avoid institutionalization, and live independently in their communities.
- Providing early intervention services to children who have disabilities and developmental delays to meet their educational and developmental goals.
- Making medical disability determinations for Texans who apply for Social Security Administration benefits.

DARS continues to operate in silos and struggles to ensure consistent services.

Approach to Sunset Reviews of Health and Human Services Agencies

The Sunset Commission reviewed the functions and duties of the DARS and other health and human services system agencies before evaluating the Health and Human Services Commission (HHSC) and matters relating to the overall system. This approach allowed the Sunset Commission to assess each agency as currently configured, with the understanding that the overall system configuration could change through the later review of HHSC and the accumulated knowledge gained from the reviews of all health and human services agencies.

The Sunset Commission did not continue DARS as a separate agency, instead recommending reorganization of all of the system agencies into a functional structure under HHSC, as discussed in the HHSC section of this report. Subsequently, the Sunset Commission recommended transferring DARS' largest program, vocational rehabilitation services, and two related programs to the Texas Workforce Commission (TWC), as discussed in the TWC section of this report. However, the remaining recommendations specifically affecting DARS continue to be needed to address the Sunset Commission's concerns about the agency and its programs whether they operate within DARS or within the reorganized system. These specific recommendations are presented here as the agency and its functions are currently organized, but the Legislature will ultimately determine their placement within the overall health and human services system.

Summary

Twelve years after the Legislature consolidated four agencies to create DARS, those legacy agencies' services continue to operate in separate silos. Of particular concern is the ongoing separation of vocational rehabilitation services for people who are blind, from vocational rehabilitation services for people with all other disabilities. While the need for counselors trained to work with different populations is clear, the need for separate administration, management, and field offices across the state is not. This simply wastes resources better devoted to services to help people with disabilities prepare for, find, and keep jobs.

DARS has also grappled with poor management, planning, and financial controls. After investing millions to create a web-based case management system, the agency continues to lack the case oversight needed to control spending and ensure effective delivery of services. DARS also continues to use state employees to offer independent living services, instead of using these funds to support local centers developed specifically for this purpose and operated largely by people with disabilities.

The Sunset Commission concluded that while DARS' functions are needed, its organizational structure and management were lacking. Also under Sunset review was TWC, the agency responsible for providing job training and employment services through a network of local workforce boards and one-stop centers. Many of DARS' consumers eventually end up at a local workforce center to explore job opportunities. TWC's successful integration of other employment services presented a clear opportunity to merge DARS' vocational rehabilitation services with other workforce-related services in a more proactively managed agency. These changes aim to eliminate duplication and improve services and outcomes for people with disabilities seeking employment.

The Sunset Commission's recommendations on the transfer of vocational rehabilitation services, along with two other related programs, are addressed in the TWC section of this report. TWC would also carry out several Sunset recommendations originally intended for DARS to improve vocational rehabilitation services, including integrating services for people who are blind and for people with all other disabilities.

The recommendations that follow aim to address specific concerns with, and ensure better oversight of, the programs remaining at DARS. These programs would be part of the health and human services reorganization and include the following: Children's Autism; Blind Children's Vocational Discovery and Development; Blindness Education, Screening, and Treatment; Independent Living Services; Comprehensive Rehabilitation Services; Criss Cole Rehabilitation Center; Deaf and Hard of Hearing Services; and Early Childhood Intervention. The following material summarizes the Sunset Commission's recommendations on DARS.

Issues and Recommendations

Issue 1

DARS Lacks Case Oversight to Control Spending and Ensure Effective Delivery of Services.

DARS' caseworkers provided direct services to more than 100,000 consumers in fiscal year 2013 through six programs. The agency relies on caseworkers to use their own judgment when making decisions about consumer services and provides little guidance or monitoring to ensure caseworkers balance the conflicting goals of spending program funds wisely and providing services that consumers choose. The Sunset Commission found that DARS fails to provide safeguards to prevent the cost and length of cases

from going unchecked. Moreover, DARS' limited case review process is not consistent across programs or regions and DARS does not adequately monitor the overall performance and outcomes of its direct services programs.

With the transfer of vocational rehabilitation services to TWC and the outsourcing of independent living services under Issue 2 below, the following recommendations would only apply to the two direct services programs remaining at DARS — the Comprehensive Rehabilitation Services and Blind Children's programs.

Recommendations

Change in Statute

1.1 Require DARS to create clear, validated guidelines for caseworkers to ensure better decision making for successful, cost-effective outcomes.

DARS would base the guidelines on research and best practices so that they effectively lead toward successful case outcomes. At a minimum, guidelines would cover the following.

- **Length and cost of a case.** The agency would use past data and best practices to develop guidelines for how long a case in each category should last and how much a case in each category should cost. The agency may also establish other guidelines to direct caseworkers and their supervisors as necessary to achieve success. Caseworkers would be allowed to exceed these guidelines, but should document the need to continue a case and gain approval from their supervisor.
- **Intermediate goals.** DARS would provide guidelines for all direct services programs on the creation of intermediate goals and criteria to evaluate those goals. Intermediate goals should allow caseworkers to monitor their consumer's progress while also allowing supervisors to quickly see how well a case is advancing. The agency would use these intermediate goals to establish more objective outcomes for its direct services programs.

These tools are not intended to limit any appropriate or needed services provided to consumers. Instead, they should serve as check points to help caseworkers and their supervisors ensure each program's resources are being spent prudently and consumers are on a path to success.

1.2 Require the agency to create a robust and consistent case review system for all direct services programs.

This recommendation would ensure the agency creates one case review system for all direct services programs with risk assessment tools that account for the different risks of each individual program. In this new system, the agency would include the following elements.

- Case reviews would consistently evaluate each program across all regions, with a goal of evaluating at least 10 percent of all cases in each program and region annually.
- Case reviews would focus on areas of highest risk, prioritizing the review of cases that exceed two years of service or that are significantly outside of the expenditure guidelines for that type of case. Since cases in the Blind Children's Program often span many years over the course of a consumer's childhood, the agency would prioritize the review of cases in that program that exceed five years of service, rather than two.

- Case reviews would evaluate caseworkers' eligibility determinations, and include a review of cases closed before a plan is developed and cases closed unsuccessfully.
- Case reviews would focus on the quality of caseworkers' decision making, as well as compliance with program requirements.
- Supervisors would use case reviews as part of caseworkers' performance evaluations, as well as their informal coaching.

1.3 Require DARS to designate staff to monitor performance across programs and regions.

This recommendation would require DARS to create a monitoring function outside of the individual programs and regions to analyze and track performance from a statewide perspective. Staff would collect and monitor data and report outcomes and trends to the agency's direct services program managers, and when warranted, to the commissioner. This group would perform duties such as monitoring performance data from all regions and all programs to identify trends, working with program staff to develop objective outcome measures for all programs, and monitoring case review data to ensure regional managers are consistently complying with the new case review system established under Recommendation 1.2. To better monitor its regions, DARS could also consider conducting internal peer reviews of field offices throughout the state to assess compliance with federal regulations and agency policies.

Management Action – Nonstatutory

1.4 Direct DARS to immediately start the process of creating guidelines for caseworkers in anticipation of the passage of the statutory change in Recommendation 1.1.

Issue 2

DARS Offers Many Independent Living Services Consumers Could Easily Access Through Local Centers for Independent Living.

The federal government has created a framework for each state to provide independent living resources to people with disabilities. In this framework, local centers for independent living serve as the hub for services. Of Texas' 27 centers for independent living, DARS funds 15, but has also opted to provide independent living services directly through two of its divisions.

The Sunset Commission found DARS struggles to provide independent living services statewide with its own caseworkers and provides most of the same services as local centers for independent living. Despite heavy caseloads, waitlists, and the availability of many of the same services through the local centers, DARS does not consistently refer consumers to the centers for services. The agency has also not established a transparent method for equitably dispersing funds among the centers and has only recently begun to develop consistent outcome measures for the centers.

Recommendations

Change in Statute

2.1 Define DARS' role in the provision of independent living services as supporting and monitoring the network of centers for independent living.

This recommendation would clarify that all state independent living services would be provided by or through centers for independent living (CILs) in all areas of the state, except where no center is willing or able to provide services, beginning in fiscal year 2017. DARS' role in the state's independent living network would be to fund and evaluate services provided by the local centers, and to provide any necessary training or technical assistance to help the centers expand their capacity to provide a full range of independent living services. For areas with no center or for services not currently provided by centers, DARS would first seek out CILs that are capable of subcontracting with nonprofits and other organizations to ensure all needed services are available. If no center is able or willing to subcontract for services, the agency may contract directly with other entities to provide independent living services. The agency would retain ultimate responsibility for monitoring the centers' performance in providing independent living services, including how the centers monitor the performance of subcontractors.

As part of these changes, rules would be adopted addressing topics such as an equitable and transparent methodology for allocating funds to all centers, requirements for contracting with CILs, and expectations for DARS' employees to refer consumers in DARS' direct services programs to CILs, with a method for tracking those referrals. DARS would also seek designation, for federal purposes, to become a combined state unit for the Independent Living Services Program. By outsourcing its independent living services to the centers and establishing DARS' role as monitoring the funding and performance of the centers, the agency will be better able to ensure consumers receive the services they need at the local level.

Management Action – Nonstatutory

2.2 DARS should evaluate independent living services available in communities throughout the state.

To prepare for the implementation of Recommendation 2.1, DARS should determine the capacity of CILs to provide a full range of independent living services in all areas of the state. Based on this analysis, the agency should develop a plan to contract with CILs and other independent living service providers, and reorganize its own staff to provide assistance to the CILs and manage these contracts. This analysis and plan should be completed in time to fully implement the changes outlined in Recommendation 2.1 in fiscal year 2017. DARS should develop its approach to reorganizing services with the input of the State Independent Living Council and other stakeholders, including the Texas Association of Centers of Independent Living, to ensure the most effective operation of the network overall.

2.3 DARS should determine whether the services it currently provides through the Office of Deaf and Hard of Hearing Services could be better provided through the centers for independent living.

Issue 3

DARS Lacks Mechanisms for Effectively Integrating, Directing, and Overseeing Its Programs.

Although the Legislature consolidated four agencies to create DARS 12 years ago, the agency has not fully integrated many of its legacy agency services. This lack of integration limits access across divisions to needed assistance, especially for people with multiple disabilities. Also, in recent years, certain DARS initiatives have suffered from poor planning, oversight, and financial controls.

While DARS is taking important steps to overcome past problems, the agency still lacks well-defined mechanisms to effectively communicate expectations with staff and hold them accountable. Further, DARS has a multitude of strategic priorities and no clear way to track the agency's progress on them or integrate them into the agency's operations.

Recommendation

Management Action – Nonstatutory

3.1 Direct DARS to develop mechanisms to more effectively plan for, track, and evaluate the performance of its programs and staff.

- **Planning and priorities.** The commissioner and executive management team should set clear goals and priorities for the agency using DARS' three-year strategic plan and annual operational plan as a base. In doing so, DARS' management should take a broad look at the agency's services — particularly those for people who are blind or deaf — to ensure services are integrated to the greatest extent possible; determine whether any of the agency's support functions could benefit from further consolidation with similar system-wide functions at HHSC; build on efforts to improve financial controls and the tracking of revenues and costs; and address how the agency will manage areas of high risk.
- **Implementation.** DARS' management, in collaboration with program and support staff, should develop specific strategies for each division and program to implement goals and priorities, and assign clear responsibility for each strategy to a specific person or group.
- **Evaluation.** DARS' management should set clear performance expectations and measures for each of its divisions, programs, and regions around the state, with mechanisms for tracking performance throughout the year. The agency's management should hold division, program, and field managers accountable for all expectations through their annual performance evaluations.

DARS should report to the Legislature on its progress in implementing this recommendation every six months, with the first report due in June 2015 and the last report due in December 2016. By implementing this recommendation, DARS will be better able to ensure its programs work together toward the common goal of improving services for people with disabilities.

Issue 4

Two State-funded DARS Programs Are Not Grounded in Statute, Leading to a Lack of Clear Direction and Purpose for These Programs.

DARS provides services to consumers through two small but important programs — the Comprehensive Rehabilitation Services and Children’s Autism programs. The Legislature created the Comprehensive Rehabilitation Service Program in 1985 to provide intensive rehabilitative therapies to people with traumatic brain and spinal cord injuries to improve their ability to function independently. In 2007, the governor directed HHSC to transfer funds to DARS for services for children with autism between three and eight years old. Both of these programs are funded exclusively with state funds and receive no federal funds or oversight.

While both programs have been in operation for several years, statute does not provide structure for either. Until recently, DARS had no rules for the Autism Program and administered it solely based on a conservative interpretation of the governor’s letter. The Comprehensive Rehabilitation Services Program is mentioned in statute but only in regards to its funding mechanism, with no direction for the types of services the agency should provide. This absence of statutory structure has contributed to a lack of direction and purpose for the programs and has limited transparency of the programs for both the Legislature and the public.

Recommendations

Change in Statute

4.1 Establish the Comprehensive Rehabilitation Services Program in statute and authorize DARS to adopt rules for the program.

The agency would adopt rules for providing comprehensive rehabilitation services to people with traumatic brain or spinal cord injuries that include:

- a system of organization for the delivery of comprehensive rehabilitation services;
- eligibility requirements for comprehensive rehabilitation services;
- the types of services that may be provided to a client through the program; and
- requirements for client participation in the costs of services.

4.2 Establish the Children’s Autism Program in statute and authorize DARS to adopt rules for the program.

The agency would adopt rules for providing autism services to children that include:

- a system of organization for the delivery of autism services;
- eligibility requirements for autism services;
- the types of services that may be provided to a client through the program; and
- requirements for client participation in the costs of services.

Issue 5

Neither HHSC nor DARS Has Established Durable Medical Equipment Reuse Programs Despite Statutory Direction to Do So.

The health and human services agencies provide durable medical equipment to consumers through many programs, including DARS' Vocational Rehabilitation and Independent Living Services programs and HHSC's Medicaid Program. This equipment, such as prosthetic limbs, wheelchairs, and other assistive devices, can be extremely expensive and may only be needed for a short time. In some cases, the consumer may find that the equipment is not appropriate only after the purchase has been made.

DARS inherited statutory authority to create a program to reclaim and repurpose durable medical equipment from the Texas Rehabilitation Commission, but the agency has not created any such program. Likewise, last session the Legislature gave the HHSC executive commissioner authority to create a program to facilitate the reuse of equipment provided to consumers under Medicaid, but to date the agency has taken no action to implement this program.

Recommendation

Management Action – Nonstatutory

5.1 Direct HHSC and DARS to report on their inability to meet statutory requirements to establish programs for the reuse of durable medical equipment.

This recommendation requires the agencies to report on the reasons why they have not implemented the programs intended by the Legislature to reclaim and repurpose durable medical equipment. The report contains recommendations to the Legislature as to what resources or changes in law the agencies would need to comply.

Fiscal Implication Summary

Overall, the DARS recommendations in this section of the report would result in no net fiscal impact to the State, but would eliminate 24 full-time equivalent employees, as summarized below. The fiscal impacts of the transfer of programs to TWC and the reorganization with other health and human services agencies are addressed in those respective sections of this report.

Issue 2 — The recommendation to clarify that all state independent living services should be provided by or through centers for independent living would result in DARS redirecting an estimated \$10 million annually to the centers through contracts beginning in fiscal year 2017. The transfer of funds would result from the elimination of 24 DARS independent living staff positions and the amount the agency spends on purchased goods and services in the program.

Department of Assistive and Rehabilitative Services

Fiscal Year	Change in FTEs From 2015
2016	0
2017	-24
2018	-24
2019	-24
2020	-24