SUMMARY

VRS wants to fairly compensate providers by reimbursing reasonable transportation costs so those costs are not a barrier for community partners to providing services to individuals in the Vocational Rehabilitation program. VRS’s primary goal with this change is to make sure services are available to the individuals we serve.

Policy Decision 1: Reimburse costs related to travel when a provider is transporting an individual for the purposes of assessment or their employment plan, AND when the provider staff is traveling to and from the individual.

Policy Decision 2: For general services, reimburse providers for “costs related to staff time in travel,” not “travel expenses” such as mileage.

Policy Decision 3: For general services, reimburse providers at $28 per hour.

Policy Decision 4: For Pre-ETS services, include travel time to the service authorization.

BACKGROUND

Transporting an Individual for Purposes of Assessment or their Employment Plan Services

VRS reimburses mileage costs for transporting an individual for the purpose of assessment or their employment plan services, if the provider has a transportation/mileage reimbursement line item on their contract.

Travel To and From an Individual

Prior to July 2, 2020 VRS had no mechanism to reimburse service provider staff for the time or cost it takes to travel to an individual, i.e. provider staff driving alone.

VRS has allowed a “travel differential” on provider contracts, which permits that a higher rate for the time a direct service is being provided based on the needed travel to or from the individual.

The travel differential framework was available to all providers to include on contracts when they added Pre-ETS services in fall 2019.

Indirect Costs of Providing Services
With the July 2, 2020 policy, VRS changed prior policy to pay for some costs related to transportation when a provider staff is traveling to and from the individual. VRS has not traditionally paid for indirect costs of providing services.

OVERVIEW
The DEED-VRS Transportation Reimbursement will reimburse providers for:

- **Costs related to transporting an individual** for the purposes of the assessment or the individual’s employment plan, i.e., when the service provider staff and individual are both traveling together.

- **Costs related to traveling to and from an individual** for the purposes of the assessment or the individual’s employment plan, i.e., when the service provider is traveling alone.

VRS’s transportation reimbursement is different for “**General Services**” and “**Pre-Employment Transition Services (Pre-ETS)**.” “Pre-ETS Services” pertains to services for VR Eligible Pre-ETS Students AND for VR Potentially Eligible Students. “General Services” pertains to services for all other individuals in the VR program.

**General Services:** $28 per hour. VRS will provide a $28 per hour reimbursement rate for costs related to provider staff time in travel for general services.

**Pre-ETS Services:** $75 per hour. VRS will reimburse providers for costs related to transportation by adding the transportation time estimate to each service authorization at $75 per hour.

TRANSPORTATION REIMBURSEMENT NOTES

**Transportation Rate vs. Service Rate:** *(Edited for clarity, not a policy change.)* Transportation reimbursement to providers is a transportation service that is supporting a contracted VR service. The transportation reimbursement rate should be used when a provider staff person is transporting the individual for the purposes of assessment or their employment plan, not the rate for the service the transportation is supporting. While VRS recognizes that important conversations related to an individual’s assessment or employment plan can take place while the individual is in the car, VRS has made the decision that “transportation is transportation.”

The Transportation Reimbursement rate applies whether the provider staff is transporting the individual or is traveling to or from the individual. While VRS recognizes that important conversations related to an individual’s employment plan can take place while the individual is in the car, VRS has made the decision that “transportation is transportation.” Reimbursement for a particular service starts when the travel is complete.

The transportation reimbursement is available **only** when providing hourly services, **not** the job placement and retention PBA.

VRS’s transportation reimbursement is statewide.

PRE-ETS SERVICES: EXAMPLES
• **One Service on the Authorization:** If the Pre-ETS authorization is for one service such as Job Exploration Counseling.
  o A student needs 2 hours of job exploration counseling.
  o Providing those services will require 2 hours of travel for the provider.
  o The authorization will show 4 hours for job exploration counseling.

• **More than One Service on the Authorization:** If the Pre-ETS authorization is for more than one service, such as 1 hour job exploration counseling and 1 hour work readiness training.
  o A student needs 1 hour job exploration counseling and 1 hour work readiness training.
  o Providing those services will require 2 hours of travel for the provider.
  o The authorization will show 2 hours for job exploration counseling and show 2 hours of work readiness training to account for the travel time.

**P/T CONTRACT CONSIDERATIONS**

For General Services: at this time, a provider that currently has travel differentials on their contract or a different transportation reimbursement rate such as mileage at the IRS rate MAY keep their current transportation reimbursement structure if they choose. OR those providers may choose the new transportation reimbursement. The provider must choose one transportation reimbursement structure.

  o Only the providers that have an IRS rate or the transportation rate differentials currently on their contracts are the providers that can choose what reimbursement structure they prefer. These providers cannot change their current reimbursement structure without an amendment to their contract. New amendments are announced to VRS staff via contract update emails from the VRS Community Partnerships team.

For Pre-ETS Services: VRS will eliminate the current transportation travel differential rates on P/T contracts for Pre-ETS services.

For General Services: providers that wish to receive the new Transportation Reimbursement will need to request to amend their contracts in order to do so.

For General Services: providers that currently have a Transportation Reimbursement on their contracts will need to request to amend their contracts to change the rate.

For Pre-ETS Services: no amendment request is necessary to add travel time to the service authorization. This can start immediately. There will be no line item for Pre-ETS Transportation Reimbursement on P/T contracts.

**SERVICE TYPES AND TITLES FOR GENERAL SERVICES**

• When authorizing for Travel Expenses when a provider is traveling to or from the individual – and the individual is NOT in the vehicle, VR staff should use service type “Travel Expenses to Provider” and service title “Travel Expenses to Provider - Travel To/From Person.”

• When authorizing for Transportation Services when a provider is transporting an individual for the purposes of assessment or their employment plan, VR staff should use service type “Transportation Services” and service title “Transportation to Vendor.”

**CONSUMER FINANCIAL PARTICIPATION – CFP**
For travel costs when a provider is transporting an individual for the purposes of their employment plans:
  - CFP DOES apply to these costs, unless the contracted service is for assessment or Pre-ETS.
  - Transportation Services must be on the individual’s employment plan.

For travel expenses when a provider is traveling to or from the individual – and the individual is NOT in the vehicle:
  - CFP DOES NOT apply in this circumstance.
  - These travel expenses do NOT need to be on the individual’s employment plan.

ASSESSING THE NEED FOR TRANSPORTATION REIMBURSEMENT

- Adding transportation to an individual’s employment plan or authorizing for a provider to use that transportation time is always at the discretion of VRS staff.
- VRS staff will evaluate decisions about travel reimbursement involving transport of the individual using VR Transportation Policy chapter 5B. That policy can be found on DEED’s external website at: https://apps.deed.state.mn.us/ddp/PolicyDetail.aspx?pol=58
- VRS staff make that decision in conversation with the individual and the provider.
- VRS staff is empowered to determine that no transportation time is needed and therefore not authorize for it.
- VRS staff will be evaluating each individual situation before adding it to the authorization.

ESTIMATING TRANSPORTATION TIME FOR THE PURPOSES OF AN AUTHORIZATION

Less than full hours are authorized by the quarter hour.

Transportation time billed should be for the most direct, efficient and shortest route as provided by an online mapping service such as Google Maps.

VRS staff will work with service provider staff to estimate the number of hours of transportation time necessary to complete the services requested.

- VRS staff and service provider staff should use an online mapping service such as Google Maps to determine the most direct, efficient, and shortest route and the expected transportation time given anticipated delays such as weather and rush hour traffic. VRS staff and service provider staff will estimate to the best of their ability.
- VRS understands that accidents, road construction, and inclement weather cannot always be predicted. VRS will not cover increased transportation costs or incur purchasing violations in the event of unpredictable circumstances. If an authorization does not have adequate hours to cover increased transportation time in the event of unpredictable circumstances, the service provider will be responsible for those costs.

Starting Location

- The starting location for an authorization for transportation should be the service provider staff’s primary work location.
If the staff’s primary work location is not the provider site, then the provider staff may provide an alternate primary work location such as the staff’s residence to serve as the starting location but only when this is the most direct, efficient and shortest route.

If a provider staff chooses the staff’s residence as the starting location, the provider must provide the address. If an address is not provided, the zip code of the staff’s residence must be provided to VRS at a minimum.

Transportation time may be authorized from the service provider staff’s primary work location.

When the service provider staff does not start from the primary work location, the allowable transportation time is either a) the time from the service provider staff residence to the appointment or b) from the primary work location to the appointment, whichever is less.

There is criticism to this approach regarding the starting location. The working group did not find any viable alternatives. Again, VRS must be measured in our initial policies so as to be fiscally responsible. VRS will evaluate this policy point as written, seek feedback, and revisit this in the future.

INDIVIDUALS AT THE SAME LOCATION OR IN CLOSE PROXIMITY

Here is the best practice for charging transportation time in the case of a partner providing services to two or more individuals in succession without returning to their primary work location. In this case, the partner would bill only the time from the starting location their primary work location to the first participant, and then the time between the participants and the time back to the starting location their primary work location for the second participant. The partner would not claim the full mileage from the starting location their primary work location to each participant individually.

Example: individuals in close proximity: provider staff drives from St. Paul (starting location their primary work location) to Northeast Minneapolis for person A, and then to North Minneapolis for person B, and back to St. Paul.

- Person A transportation reimbursement: time traveling from St. Paul (starting location their primary work location) to person A.
- Person B transportation reimbursement: time traveling from person A to person B, and the time traveling from person B back to St. Paul (starting location their primary work location).

Example: individuals at same location: provider staff drives from St. Paul (starting location their primary work location) to Northeast Minneapolis VR office for a meeting with person A, then a meeting with person B.

- Person A transportation reimbursement: time traveling from St. Paul (starting location their primary work location) to person A.
- Person B transportation reimbursement: time traveling from person B back to St. Paul (starting location their primary work location).

TRANSPORTATION AND PRE-ETS GROUP RATES

Transportation time should be added for individuals receiving a Pre-ETS Group service or an individual service. The VRS staff may authorize for applicable transportation time for each individual in the group.
When transporting multiple participants for the purpose of a Pre-ETS service, the counselor or Pre-ETS rehabilitation representative would authorize at the highest rate per student ($75 per hour). After service completion, the provider would bill for each participant at the adjusted group rate according to how many participants were transported.

**Example 1:**
- A provider in Bemidji is conducting a Pre-ETS “Job Exploration Counseling” group class 1 hour away in Nevis. 2 hours of travel time round trip.
- The provider staff does not transport any of the students to the class.
- It is a 2 hour “Job Exploration Counseling” group Pre-ETS class with 5 students.
- The individual invoices for each of the 5 students would look like this:
  - 4 hours of “Job Exploration Counseling” (2 hour class + 2 hours travel) at group rate of $21/hour.

**Example 2:**
- A provider in Moorhead is conducting a workplace tour under Pre-ETS “Work-Based Learning/Introductory Work Activities” in Moorhead.
- It is a 2 hour “Introductory Work Activities” group workplace tour.
- 3 students who live in surrounding small towns will be participating in the tour.
- The provider staff needs to transport the students from their homes to the tour.
- The provider staff picks up the 3 students in one trip and drops off the 3 students on the return trip. The trip takes 45 minutes one way, 1.5 hours round trip.
- The 1.5 hours round trip should be split between the three invoices. 1.5 hours divided by 3 is 0.5 hours each.
- The individual invoices for each of the 3 students would look like this:
  - 2.5 hours of “Introductory Work Activities” (2 hour class + 0.5 hours travel) at the group rate of $30/hour.

**Example 3:**
- A provider in Grand Rapids is taking 4 students to 3 different employers for workplace tours under Pre-ETS “Work-Based Learning/Introductory Work Activities” in Grand Rapids.
- Each tour lasts 1 hour.
- 4 students who live in surrounding small towns will be participating in the tours as a group.
- The provider staff needs to transport the 4 students from their homes to the tours.
- The provider staff’s transportation for the day looks like:
  - Provider work location to student A’s home: 10 minutes
  - From student A’s home to student B’s home: 10 minutes
  - From student B’s home to student C’s home: 10 minutes
  - From student C’s home to student D’s home: 10 minutes
From student D’s home to 1st employer: 10 minutes
From 1st employer to 2nd employer: 10 minutes
From 2nd employer to 3rd employer: 10 minutes
From 3rd employer to student D’s home: 10 minutes
From student D’s home to student C’s home: 10 minutes
From student C’s home to student B’s home: 10 minutes
From student B’s home to student A’s home: 10 minutes
From student A’s home to provider work location: 10 minutes

Total time in transportation: 2 hours
The total time in transportation (2 hours) should be split between the invoices for the 4 students: 0.5 hours each for 4 students
Total time in work tours: 3 hours each for 4 students
The individual invoices for each of the 4 students would look like this:
  • 3.5 hours of “Introductory Work Activities” (3 hours in work tours + 0.5 hours travel) at the group rate of $25/hour.

PURCHASING VIOLATIONS
State law requires prior approval and prior “encumbrance” for any expenditure of funds. That prior approval and encumbrance comes in the form of an authorization from VRS. If VRS pays for services performed before an authorization issued or pays for services above the allotted hours on the authorization, VRS incurs a purchasing violation. VRS WILL NOT incur purchasing violations for the transportation reimbursement.

ONLY transportation time that has been authorized prior to the transportation occurring and ONLY transportation time that falls within the number of prior authorized hours will be paid by VRS.

Prior to authorizing, the number of authorized hours for transportation must be negotiated with VRS staff and Community Partner staff.

Requesting additional hours for transportation is the responsibility of Community Partner staff and is granted at the discretion of VRS staff.

Transportation time that occurs BEFORE an authorization is active will result in no payment for that time by VRS.

Transportation time in EXCESS of the number of authorized hours will result in no payment for that time.

VRS understands that accidents, road construction, and inclement weather cannot always be predicted. VRS will not cover increased transportation costs or incur purchasing violations in the event of unpredictable circumstances. If an authorization does not have adequate hours to cover increased transportation time in the event of unpredictable circumstances, the service provider will be responsible for those costs.

AUTHORIZATIONS
For General Services: The Transportation Reimbursement rate will show as an additional line on the authorization.
For Pre-ETS Services: transportation time will NOT show as an additional line on the authorization. The transportation time is added to the service hours.

Transportation time will be authorized on an hourly basis and invoiced in 15-minute (0.25 hour) increments.

VRS INVOICING AND REPORTING CONSIDERATIONS
Best practice: invoice for the services and transportation time to support those services at the same time.

When invoicing for the services and transportation time to support those services include the dates of service on the invoice. A range of dates is acceptable on the invoice.

For VRS staff to process the invoice there must be an accompanying report.

The report must show the actual dates and times for the travel time and for the services were provided.

The report must also show the starting location, destination, and ending location and if multiple participants were transported.

NEXT STEPS – DETAILS FOR PROVIDER AND VRS STAFF
The transportation reimbursement is effective July 2, 2020, upon the public announcement of this policy.

Effective date if a community partner CURRENTLY has transportation reimbursement on their contracts:
these community partners may request authorizations to reimburse costs related to travel when a provider is transporting an individual for the purposes of assessment or their employment plan AND when the provider staff is traveling to and from the individual. It is incumbent upon the community partner to request more time on their original authorization to accommodate the additional opportunity for reimbursement.

Effective date if a community partner DOES NOT have transportation reimbursement on their contracts:
these community partners will need to request an amendment to their contracts before this policy is effective for them. The effective date for providers that do not currently have transportation reimbursement on their contracts is the date the amendment is executed. Executed amendments are announced to VRS staff via contract update emails from the VRS Community Partnerships team.

For Providers WITH Pre-ETS on their P/T contract:
- For new authorizations:
  - VRS staff will no longer authorize for Pre-ETS services at the travel differential rate.
  - VRS staff will work with service provider staff to estimate necessary hours of transportation time and add the transportation time to the hours of service on the authorization.
- For current authorizations: current authorizations are valid and do not need to change to conform to this new policy.

For Providers WITH Transportation Reimbursement on their P/T contract, for General Services:
- These providers should request an amendment to their P/T contract to change the current rate on their contract to the new rate.
- How to Authorize Between Now and New Amendment
VRS staff may authorize for transportation mileage using the current rate on the provider’s contract until the amendment is executed.

The rate that is currently on a provider’s contract can now be used for costs related to transporting an individual for the purposes of assessment or the individual’s employment plan, and for costs related to traveling to and from an individual for the purposes of assessment or the individual’s employment plan.

It is incumbent upon the provider to request additional authorized time to accommodate the additional opportunity for reimbursement. If VRS grants these requests, VRS staff should create a new authorization with the additional hours.

- **Once New Amendment is Executed**
  - For any existing authorizations at the time that the new amendment is executed, VRS staff will amend the authorization with the new rate. VRS staff should note the reason for the rate increase on the authorization.
  - VRS staff will be notified of executed amendments via contract update emails from the VRS Community Partnerships team.
  - Example: if the authorization was created on July 1 for services from July 1 to July 31 and the contract is amended on July 15, only the services that happen from July 15 to July 31 will get the new rate. Services provided from July 1 to July 14 would be paid at the old rate.

**For Providers WITH Travel Differential for General Services on their P/T Contract:**

- VRS staff may continue to authorize for services at the travel differential rate until a contract amendment with the new Transportation Reimbursement is executed.

**For Providers WITHOUT Transportation Reimbursement on their P/T contract for General Services:**

- These providers should request an amendment to their P/T contract to add the Transportation Reimbursement to their contract if they would like to.
- Providers cannot receive transportation reimbursement without the Transportation Reimbursement on their contract.