

**DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

**MICHIGAN REHABILITATION SERVICES**

**VOCATIONAL REHABILITATION**

(By authority conferred on the director of the department of labor and economic opportunity by sections 2a and 2b of the proprietary schools act, 1943 PA 148, MCL 395.102a and 395.102b, and sections 3, 4, and 6 of the rehabilitation act of 1964, 1964 PA 232, MCL 395.83, 395.84, and 395.86; Executive Reorganization Order Nos. 1999-1, 2003-1, 2012-5, and 2019-3, MCL 408.40, 445.2011, 445.2033, and 125.1998; and in accord with the workforce innovation and opportunity act, Public Law 113-128)

**R 395.1 Rescinded.**

History: 1954 AC; 1979 AC; 1998-2000 AACS; 2015 AACS.

**R 395.2 Rescinded.**

History: 1954 AC; Rescinded 1954 ACS 24, Eff. Nov. 12, 1960.

**R 395.3 Rescinded.**

History: 1954 AC; 1979 AC; 2005 AACS; 2015 AACS.

**R 395.4 Rescinded.**

History: 1954 AC; 1979 AC; 2005 AACS; 2015 AACS.

**R 395.5 Rescinded.**

History: 1954 AC; 1979 AC; 2015 AACS.

**R 395.6 Rescinded.**

History: 1954 AC; 1979 AC; 2015 AACS.

**R 395.7 Rescinded.**

History: 1954 AC; 1979 AC; 2015 AACS.

**R 395.8 Rescinded.**

History: 1954 AC; 1979 AC; 2015 AACS.

**R 395.21 Rescinded.**

History: 1954 AC; 1979 AC; 1998-2000 AACS; 2015 AACS.

**R 395.22 Rescinded.**

History: 1954 AC; 1979 AC; 2015 AACS.

**R 395.23 Rescinded.**

History: 1954 AC; 1979 AC; 2015 AACS.

**R 395.24 Rescinded.**

History: 1979 AC; 2015 AACS.

**R 395.31 Rescinded.**

History: 1954 AC; 1979 AC; 2005 AACS; 2015 AACS.

**R 395.32 Rescinded.**

History: 1954 AC; 1979 AC; 2005 AACS; 2015 AACS.

**R 395.33 Rescinded.**

History: 1954 AC; 1979 AC; 2005 AACS; 2015 AACS.

**R 395.34 Rescinded.**

History: 1954 AC; 1979 AC; 2015 AACS.

**R 395.35 Rescinded.**

History: 1954 AC; 1979 AC; 2015 AACCS.

**R 395.41 Rescinded.**

History: 1979 AC; 2015 AACCS.

**R 395.42 Rescinded.**

History: 1979 AC. 2015 AACCS.

**PART 1. ELIGIBILITY FOR REHABILITATION SERVICE**

**R 395.51 Definitions.**

Rule 1. As used in these rules:

(a) “Clear and convincing evidence” means that MRS concludes, with a high degree of certainty, that an individual is incapable of benefitting from services in terms of an employment outcome. The clear and convincing standard constitutes the highest standard used in civil law and is to be individually applied on a case-by-case basis. The term clear means unequivocal. For example, the use of an intelligence test result alone would not constitute clear and convincing evidence. Clear and convincing evidence might include a description of assessments, including situational assessments and supported employment assessments, from service providers who have concluded that they would be unable to meet the individual's needs due to the severity of the individual's disability. The demonstration of clear and convincing evidence must include, if appropriate, a functional assessment of skill development activities, with any necessary supports, including assistive technology, in real life settings.

(b) “Client assistance program” or the “CAP” means the program under the rehabilitation act of 1973, 29 USC 732. The CAP provides assistance in informing and advising all applicants and individuals eligible for vocational rehabilitation services of all available benefits under the rehabilitation act of 1973, 29 USC 701 to 7961. On request of applicants or eligible individuals, the CAP assists and advocates for the applicants or eligible individuals in their relationships with projects, programs, and services provided under the rehabilitation act of 1973, 29 USC 701 to 7961, including assistance and advocacy in pursuing legal, administrative, or other appropriate remedies to ensure the protection of the rights of the individuals under the rehabilitation act of 1973, 29 USC 701 to 7961, and to facilitate access to the services funded under the rehabilitation act of 1973, 29 USC 701 to 7961, through individual and systemic advocacy.

(c) “Comparable services and benefits” means services and benefits, not including awards and scholarships based on merit, that are provided or paid for, in whole, or in part, by other federal, state, or local public agencies, by health insurance, or by employee benefits that are available to the individual at the time needed to ensure the progress of the individual toward achieving the employment outcome in the individual’s IPE and that are commensurate to the services the individual would otherwise receive from MRS.

(d) “Competitive integrated employment” means work that complies with the following:

(i) Is performed on a full-time or part-time basis, including self-employment, and for which an individual is compensated at a rate that includes all of the following:

(A) Is not less than the higher of the rate specified in section 6(a)(1) of the fair labor standards act of 1938, 29 USC 206, or the rate required under the applicable state or local minimum wage law for the place of employment.

(B) Is not less than the customary rate paid by the employer for the same or similar work performed by other employees who are not individuals with disabilities and who are similarly situated in similar occupations by the same employer and who have similar training, experience, and skills.

(C) In the case of an individual who is self-employed, yields an income that is comparable to the income received by other individuals who are not individuals with disabilities and who are self-employed in similar occupations or on similar tasks and who have similar training, experience, and skills.

(D) Is eligible for the level of benefits provided to other employees.

(ii) Is at a location where the employee with a disability interacts for the purpose of performing the duties of the position with other individuals, for example, other employees, customers, and vendors, who are not individuals with disabilities, not including supervisory personnel or individuals who are providing services to such employee, to the same extent that employees who are not individuals with disabilities and who are in comparable positions interact with these individuals.

(iii) Presents, as appropriate, opportunities for advancement that are similar to those for other employees who are not individuals with disabilities and who have similar positions.

(e) “Cost of attendance” means the total amount it will cost a student to attend school in a year.

(f) “Customized employment” means competitive integrated employment (CIE), for an individual with a significant disability or most significant disability, that meets all the following:

(i) Is based on an individualized determination of the unique strengths, needs, and interests of the individual with a significant disability.

(ii) Is designed to meet the specific abilities of the individual with a significant disability or most significant disability and the business needs of the employer.

(iii) Is carried out through flexible strategies, such as job exploration by the individual, and working with an employer to facilitate placement, including all of the following:

(A) Customizing a job description based on current employer needs or on previously unidentified and unmet employer needs.

(B) Developing a set of job duties, a work schedule and job arrangement, and specifics of supervision, including performance evaluation and review, and determining a job location.

(C) Using a professional representative chosen by the individual, or if elected self-representation, to work with an employer to facilitate placement.

(D) Providing services and supports at the job location.

(g) “Employment outcome” means, with respect to the individual, entering, advancing in, or retaining full-time, or, if appropriate, part-time competitive integrated employment, including customized employment, self-employment, telecommuting, or business ownership, or supported employment that is consistent with an individual’s strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice.

(h) “Individualized plan for employment” or “IPE” means an individualized plan for employment as described in R 395.67 to R 395.71.

(i) “Michigan rehabilitation services” or “MRS” means the part of a network of vocational rehabilitation programs across the United States authorized by the rehabilitation act of 1973, 29 USC 701 to 796l.

(j) “Part-time” means employment that is permanently assigned to an employee that is less than 30 hours of work per week.

(k) “Post-employment services” means one or more vocational rehabilitation services that are provided subsequent to the achievement of an employment outcome and that are necessary for an individual to maintain, regain, or advance in employment, consistent with the individual’s unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice.”

(l) “Pre-employment transition services” or “Pre-ETS” means the required activities and authorized activities specified in 34 CFR 361.48(a)(2) and (3).

(m) “Rehabilitation technology” means the systematic application of technologies, engineering methodologies, or scientific principles to meet the needs of and address the barriers confronted by individuals with disabilities.

(n) “Substantial impediment to employment” means that a physical or mental impairment hinders an individual from preparing for, entering into, engaging in, advancing in, or retaining employment consistent with the individual’s abilities and capabilities.

(o) “Vocational rehabilitation services” or “VRS” means those services, if provided to an individual, listed in 34 CFR 361.48, and, if provided for the benefit of groups of individuals, those services listed in 34 CFR 361.49.

History: 2015 AACS; 2024 AACS; 2026 MR 10, Eff. May 15, 2026.

### **R 395.52 Implementation of processes; policy.**

Rule 2. MRS shall publish and make available to the public procedures for the implementation of these rules.

History: 2015 AACS.

### **R 395.53 Purpose.**

Rule 3. (1) MRS shall assess, plan, develop, and provide vocational rehabilitation services for eligible individuals with disabilities, consistent with their unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice, to prepare for and engage in competitive integrated employment and achieve economic self-sufficiency.

(2) MRS shall make available Pre-ETS statewide to all students with disabilities, regardless of whether the student has applied or been determined eligible for vocational rehabilitation services.

(3) MRS shall engage with employers to increase job opportunities for individuals with disabilities.

(4) MRS provides services in accordance with the provisions of an IPE. Each IPE must be designed to achieve a specific employment outcome that is selected by the individual consistent with the individual's unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice. Each IPE must include a description of the specific vocational rehabilitation services needed to achieve the employment outcome. Services provided must be needed to achieve the individual's employment outcome, available, of sufficient quality, and be provided at the least cost to meet the individual's rehabilitation needs consistent with 2 CFR 200.403 to 200.405.

History: 2015 AACCS; 2024 AACCS; 2026 MR 10, Eff. May 15, 2026.

### **R 395.54 General requirements.**

Rule 4. (1) MRS shall not discriminate on the basis of race, religion, age, national origin, color, height, weight, marital status, sex, sexual orientation, gender identity or expression, political beliefs, disability, participant status in a workforce innovation and opportunity act-funded program, or discriminate against certain non-citizens as defined by section 188 of the Workforce Innovation and Opportunity Act, 29 USC 3248.

(2) MRS shall not impose, as part of determining an individual's eligibility for vocational rehabilitation services, a duration of residence requirement that excludes any applicant who is legally present in this state.

(3) Throughout the individual's rehabilitation program, every opportunity must be provided to the individual to make informed choices regarding the rehabilitation process. MRS shall maintain documentation of opportunities for making informed choices in the individual's case record.

(4) MRS shall establish and maintain a case record for each individual and recipient of vocational rehabilitation services, which includes data necessary to comply with MRS and federal Rehabilitation Services Administration requirements.

(5) MRS shall make administrative decisions about the district and office boundaries in which individuals are served. Individuals do not have a right to select the office or district in which they are served or the counselor who serves them.

(6) Individuals are served in geographic MRS districts and offices according to their residence. Individuals who change their residence may have the option to have their cases transferred, with supervisory approval, to the district or office to which they have moved.

(7) Individuals have the right to appeal the denial of a request to change counselors within an office.

(8) Case service expenditures, whether assessment or IPE services, require written authorization by MRS before or simultaneously with the initiation of the service. Retroactive authorizations are allowed within the current and previous fiscal year if the individual receiving MRS services made reasonable efforts to ensure MRS was able to provide the service and failure to authorize payment for services is due to MRS error or delay. MRS will issue retroactive authorizations prior to the current a previous fiscal year

if required to do so by order of an administrative law judge or other legally-mandated process.

(9) Goods and services must be provided subject to the statewide availability of funds. Each IPE must be developed and implemented in a manner that gives the individual the opportunity to exercise informed choice in selecting the vocational rehabilitation services needed to achieve the employment outcome, including the settings in which services are provided, and the entity or entities that provide the vocational rehabilitation services.

(10) When appropriate, the MRS counselor shall provide the referral necessary to support the individual with disabilities in securing needed services from other agencies and organizations.

(11) The MRS counselor shall inform each individual of the right to obtain a review of determinations made by MRS that affect the provision of vocational rehabilitation services, including the right to pursue mediation and provide applicants and eligible individuals with notice of the availability of the CAP to assist the applicant or recipient during mediation sessions or impartial due process hearings.

History: 2015 AACCS; 2024 AACCS; 2026 MR 10, Eff. May 15, 2026.

### **R 395.55 Confidentiality.**

Rule 5. (1) MRS shall keep all personal information concerning individuals, including but not limited to, photographs and lists of names, confidential.

(2) MRS may release personal information only to individuals or entities directly connected with the administration of the vocational rehabilitation program and only to the extent permitted under federal regulations governing the vocational rehabilitation program. Information containing identifiable personal information shall not be shared with advisory or other bodies that do not have official responsibility for administration of the program.

(3) MRS shall release personal information only with the informed, written consent of the individual. MRS shall release personal information without informed, written consent of the individual as needed to protect the applicant from physical harm to self or others and in response to any of the following:

(a) Law enforcement, fraud, or abuse investigations.

(b) In response to a judicial order.

(c) When required by federal statute or regulation.

(d) For audit, research, or evaluation purposes as allowed under the federal regulations 34 CFR 361.38(d).

(e) In a suspected case of abuse, neglect, exploitation, or endangerment of the individual.

(4) Information obtained from another agency or organization shall be released only by, or under the conditions established by, the other agency/organization.

(5) When requested in writing by an individual, MRS shall make the information requested accessible to the individual and release the information to the individual or the individual's representative in a timely manner.

(6) Medical, psychological, and other information that may be potentially harmful to the individual shall not be directly released to the individual but shall be released instead to a third party chosen by the individual that may include any of the following:

- (a) A qualified medical or mental health professional.
- (b) Advocate.
- (c) Family member.
- (d) Legal guardian.

(7) MRS may release information to parents or legal guardians of individuals who are minors under the same conditions as it may be released directly to individuals.

(8) Release of information to an individual, agency, or organization other than those specified in these rules shall contain a statement precluding its further release.

(9) MRS counselors shall advise individuals and providers of information of the confidentiality and release restrictions in this rule through appropriate means of communication.

History: 2015 AACCS.

### **R 395.56 Application for MRS services.**

Rule 6. To apply for MRS services, an individual, or his or her representative as appropriate, shall do all of the following:

Complete and sign an MRS application form or otherwise request services and provide the equivalent information.

Provide information necessary to determine eligibility and priority for services.

Be available to complete the assessment process.

History: 2015 AACCS.

### **R 395.57 Eligibility criteria.**

Rule 7. (1) An individual is eligible for MRS services if, after an assessment has been conducted, MRS determines that the individual meets both of the following:

(a) Has a physical or mental impairment which, for the individual, constitutes or results in a substantial impediment to employment.

(b) Requires MRS to prepare for, secure, retain, advance in, or regain employment consistent with the individual's unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice. For purposes of an assessment for determining eligibility and vocational rehabilitation needs under the act, an individual shall be presumed to have a goal of an employment outcome.

History: 2015 AACCS.

### **R 395.58 Presumption of benefit.**

Rule 8. All individuals who apply for services, including individuals who have been determined to have a disability under social security disability insurance and supplemental security income, are presumed to be able to benefit in terms of an employment outcome from VRS unless found to be ineligible for services due to the severity of the disability by clear and convincing evidence.

History: 2015 AACCS.

**R 395.59 Eligibility determination.**

Rule 9. The responsibility for making an eligibility determination shall be made by a qualified vocational rehabilitation counselor employed by MRS and shall not be delegated to any other individual or agency.

History: 2015 AACCS.

**R 395.60 Time frame for eligibility determination.**

Rule 10. (1) MRS shall make an eligibility determination for MRS services no later than 60 days after the date of application unless the individual is notified in writing of either of the following:

(a) That the eligibility period is being extended because exceptional and unforeseen circumstances beyond control of the MRS counselor preclude the MRS counselor from completing the determination within the prescribed time frame, and the individual agrees that a specific extension of time is warranted.

(b) When trial work experiences are necessary to determine if the individual is capable of benefiting, in terms of an employment outcome, from vocational rehabilitation services. Trial work experiences are only conducted when the MRS counselor has serious doubt about the individual's ability to benefit from MRS services to achieve an employment outcome.

(2) Extending the eligibility determination period as described in R 395.64 is not applicable to supplemental security income recipients or social security disability insurance beneficiaries seeking MRS services pursuant to the federal requirements under 34 CFR 361.42(a)(3)(B)(ii). The MRS counselor shall make an eligibility determination for recipients of social security disability benefits no later than 60 days after the date of application.

History: 2015 AACCS; 2026 MR 10, Eff. May 15, 2026.

**R 395.61 Extended eligibility determinations and trial work experiences.**

Rule 11. (1) Before an individual with a significant disability can be determined to be incapable of benefiting from services in terms of an employment outcome, MRS shall provide trial work experience.

(2) The presumption of employability continues during trial work experiences and may be refuted only if MRS demonstrates by clear and convincing evidence that the individual cannot benefit from services in terms of an employment outcome.

(3) During the trial work experience, MRS shall explore the individual's abilities, capabilities, and capacity to perform in work situations in the most integrated settings with appropriate supports except under limited circumstances when an individual cannot or is not ready to take advantage of such experiences. These circumstances include individuals who are medically unstable and require treatment to achieve stability and individuals whose disabilities are not treatable, remediable, or who are near death.

(4) Trial work experiences must be of sufficient variety and over a sufficient period of time, and with appropriate supports, so that a MRS counselor may determine the eligibility of the individual or to determine the existence of clear and convincing evidence that the individual is incapable of benefiting in terms of an employment outcome from vocational rehabilitation services due to the severity of the individual's disability.

(5) A MRS counselor shall develop a trial work experience plan that includes identification of the services necessary to determine eligibility and the nature and scope of services required to achieve an employment outcome.

(6) An individual, or the individual's representative, shall be a full and active participant in the development of the individual's trial work experience plan and in the selection of services and service providers and shall sign and be provided a copy of the written document.

(7) A MRS counselor shall regularly and routinely evaluate the progress of individuals in trial work experiences toward achieving eligibility determinations.

(8) A MRS counselor can make an eligibility determination at any time during a trial work experience.

History: 2015 AACCS; 2026 MR 10, Eff. May 15, 2026.

### **R 395.62 Presumption of eligibility for recipients of social security disability benefits.**

Rule 12. (1) All of the following apply to individuals who are recipients of social security disability benefits, based on a disability:

(a) Considered to be an individual with a significant disability.

(b) Presumed to be eligible for vocational rehabilitation services, provided the individual intends to achieve an employment outcome consistent with the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individual, unless the vocational rehabilitation counselor can demonstrate, by clear and convincing evidence, that the individual is incapable of benefiting due to the severity of the disability of the individual.

(c) Once an individual has been informed of the employment nature of the program, the completion of a MRS application for services must be considered as intent to achieve an employment outcome.

(2) For an individual desiring to enter the workforce who is entitled to benefits under Title II or XVI of the social security act, 42 USC 401 to 434 and 1381 to 1383f, on the basis of a disability or blindness, the designated state unit shall provide to that individual general information on additional supports and assistance for individuals with disabilities desiring to enter the workforce, including assistance with benefits planning.

(3) The MRS counselor shall make an eligibility determination for recipients of social security disability benefits no later than 60 days after the date of application unless the individual's ability to benefit is in question and a trial work experience plan is developed.

History: 2015 AACCS; 2026 MR 10, Eff. May 15, 2026.

### **R 395.63 Use of existing information.**

Rule 13. (1) To the maximum extent possible, the MRS counselor shall make an eligibility determination based on existing and current information, including any of the following:

- (a) Information available from other programs and providers.
- (b) Schools.
- (c) Social security administration.
- (d) Information provided by the individual and the family.

(2) To the maximum extent appropriate, the MRS counselor shall rely on information obtained from experiences in integrated employment settings in the community and in other integrated community settings.

History: 2015 AACCS.

### **R 395.64 Ineligibility.**

Rule 14. (1) In all cases where the counselor determines that an individual does not meet the requirements for eligibility, the case record shall include a certification of ineligibility.

(2) The certification shall be signed and dated by the counselor and include documentation of the reasons for the ineligibility determination.

(3) Ineligibility decisions concerning the severity of a disability must be based on clear and convincing evidence that the individual is incapable of benefiting in terms of an employment outcome due to the severity of the individual's disability as of the date of the determination, and require the counselor to explore the individual's abilities, capabilities, and capacity to perform in work situations through the use of trial work experiences. The ineligibility determination shall be both of the following:

(a) An individualized one, based on the available data, and shall not be based on assumptions about broad categories of disabilities.

(b) Made only after providing an opportunity for full consultation with the individual or, as appropriate, the individual's representative.

(4) The individual, or as appropriate, the individual's representative, shall be informed in writing, supplemented as necessary by other appropriate modes of communication consistent with the informed choice of the individual, of the ineligibility determination, including the clear and convincing evidence that forms the basis for the determination of ineligibility, including both of the following:

(a) The reasons for the determination.

(b) A description of the means by which the individual may express, and seek a remedy for, any dissatisfaction with the determination, including the procedures for review by an impartial hearing officer.

History: 2015 AACCS.

### **R 395.65 Rescinded**

History: 2015 AACCS; 2024 AACCS.

**R 395.66 Comprehensive assessment of rehabilitation needs.**

Rule 16. (1) A MRS counselor shall conduct a vocational needs assessment to determine the goals, nature, and scope of rehabilitation services to be included in the IPE.

(2) The assessment described in this rule shall begin simultaneously with the assessment for eligibility and be carried out in integrated settings to the extent appropriate and consistent with the individual's informed choice.

(3) The emphasis in the assessment shall be on using existing and current information to the maximum extent possible, and information provided by the individual and by the individual's family, as appropriate.

(4) When current or existing information is not sufficient to assess vocational rehabilitation needs, a comprehensive assessment shall be provided which shall include all of the following concerning the individual:

- (a) Strengths.
- (b) Resources.
- (c) Priorities.
- (d) Concerns.
- (e) Abilities.
- (f) Capabilities.
- (g) Rehabilitation needs, including the need for supported employment.

(5) The individual shall be an active participant in the choice of assessments and providers.

(6) The comprehensive assessment is limited to information that is necessary to identify the rehabilitation needs of the individual and to develop an IPE. To the degree needed, the comprehensive assessment shall include the following:

(a) An assessment of the individual's personality; career interests; interpersonal skills; intelligence and related functional capacities; educational achievements; work experience; vocational aptitudes; personal and social adjustment; employment opportunities available to the individual; medical, psychiatric, psychological, and other pertinent vocational, educational, cultural, social, recreational, and environmental factors that affect the employment and rehabilitation needs of the individual.

(b) An appraisal of the individual's work behavior and services needed to acquire occupational skills, and to develop work attitudes, work habits, work tolerance, and social and behavioral patterns necessary for successful job performance, including the utilization of work in real job situations to assess and develop the capacities of the individual to perform adequately in the work environment.

(c) Where appropriate, the provision of rehabilitation technology services to assess and develop the capacities of the individual to perform in an integrated work environment.

History: 2015 AACCS.

**R 395.67 Individualized plan for employment (IPE).**

Rule 17 (1) The MRS counselor shall design the IPE to achieve an employment outcome of the individual, consistent with the unique strengths, resources, priorities, concerns, abilities, capabilities, career interests, and informed choice of the individual.

(2) The case record must support the selection of the vocational goal.

(3) The IPE shall be signed by the individual or, as appropriate, the individual's representative and by a qualified MRS rehabilitation counselor. The IPE is not a legal contract between MRS and the individual.

(4) Planning and approval of the IPE shall be conducted within the framework of a counseling relationship.

(5) MRS counselor approval of an IPE verifies that the IPE is consistent with MRS policies and guidelines, is complete, and is expected to lead to an employment outcome. MRS counselors shall provide a copy of the IPE, and any amendments, to the eligible individual.

(6) Vocational rehabilitation goods and services may only be provided in accordance with the IPE.

(7) MRS shall provide individuals with written notification of appeal rights, including the name and address of the person with whom an appeal may be filed, and the availability of the CAP during IPE development, and whenever MRS-authorized services are denied, reduced, suspended, or terminated.

(8) The MRS shall notify individuals in writing 10 working days before the termination, reduction, or suspension of a MRS authorized service.

History: 2015 AACCS.

#### **R 395.68 Standards for development; review.**

Rule 18. (1) The IPE shall be completed promptly by both the MRS counselor and the individual, but no more than 90 days following eligibility certification, unless the individual and MRS counselor require more time to arrive at an agreed upon IPE.

(2) The IPE will be reviewed at least annually by a qualified vocational rehabilitation counselor and the individual or, as appropriate, the individual's representative, to assess the individual's progress in achieving the identified employment outcome.

History: 2015 AACCS.

#### **R 395.69 IPE development extension.**

Rule 19. (1) If more than 90 days are required to develop the IPE, an IPE development extension shall be requested providing all of the following:

(a) Reason for extension.

(b) Activities or services planned to complete the IPE.

(c) The agreed upon plan extension date.

(2) For students in the K-12 educational system who are eligible for MRS services, the IPE shall be developed and completed before the student leaves the school setting. An agreed upon delay in developing an IPE is not an option for eligible transition students if the delay in development extends beyond the student's exit from school.

History: 2015 AACCS.

#### **R 395.70 Options for developing IPE.**

Rule 20. (1) The MRS counselor shall provide the individual, or the individual's representative, information on the individual's options for developing an IPE.

(2) MRS shall not pay for an agency, or a representative, to develop an IPE.

(3) The options for developing all or part of the IPE include the following:

(a) With assistance from a MRS vocational rehabilitation counselor, to the extent determined to be appropriate by the individual.

(b) With technical assistance from the MRS program, or other representatives selected by the individual.

(c) The individual alone without assistance.

History: 2015 AACCS.

### **R 395.71 Required components of IPE.**

Rule 21. The IPE shall include the following:

(a) Specific vocational goal, which must be based on the assessment for determining vocational rehabilitation needs, including the individual's career interests, and must be in an integrated setting.

(b) A description of the specific vocational rehabilitation services that meet both of the following:

(i) Needed to achieve the vocational goal, including, as appropriate, the provision of assistive technology services and personal assistance services, including training in the management of such services.

(ii) Provided in the most integrated setting that is appropriate for the service involved, and is consistent with the informed choice of the individual.

(c) Timelines for the achievement of the employment outcome, and for the initiation of the services.

(d) A description of the entity chosen by the individual, or as appropriate, the individual's representative that will provide the vocational rehabilitation services and the methods used to procure such services.

(e) Description of the criteria to evaluate the progress towards achievement of the employment outcome.

(f) The terms and conditions of the IPE, including, as appropriate, information describing all of the following:

(i) The responsibilities of MRS.

(ii) The responsibilities that the individual will assume in relation to the vocational goal.

(iii) The responsibility of the individual with regard to applying for and securing comparable benefits.

(g) For individuals for whom an employment outcome in a supported-employment setting has been determined to be appropriate, information identifying both of the following:

(i) The extended services needed by the individual after closure.

(ii) The source of extended services, or to the extent that the source of extended services cannot be identified at the time of the development of the IPE, a description of the basis for concluding that there is a reasonable expectation that such source will become available.

(h) As determined to be necessary, a statement of projected need for post-employment services.

(i) An assurance that the individual has been informed of his or her rights and the means by which the individual may express and seek remedy for any dissatisfaction, including the opportunity for a review of the rehabilitation determination, as described in R 395.83 to R 395.87 and assurance that the individual has been provided a detailed explanation of the availability of the resources within the CAP.

History: 2015 AACCS.

**R 395.72 Participation; individuals with disabilities; cost of IPE services.**

Rule 22. (1) Individuals shall be encouraged to participate in the cost of the services listed in their IPE to the extent they are able to do so.

(2) Financial participation in the cost of services is not required except in the areas of college and vocational training.

History: 2015 AACCS.

**R 395.73 Comparable benefits and services in the IPE.**

Rule 23. (1) If comparable services and benefits are available to the individual, the services and benefits must be utilized to meet, in whole or part, the cost of vocational rehabilitation services.

(2) If comparable services or benefits exist under any other program, but are not available to the individual at the time needed to satisfy the rehabilitation objectives in the individual's IPE, MRS shall provide vocational rehabilitation services until those comparable services and benefits become available.

(3) The utilization of comparable services and benefits do not apply in the following situations:

(a) If the determination of the availability could delay or interrupt the progress of the individual toward achieving the employment outcome identified in the individualized plan for employment.

(b) If the determination of the availability would delay the provision of vocational rehabilitation to any individual who is at extreme medical risk, based on medical evidence provided by an appropriate qualified medical professional.

(c) If an immediate job placement would be lost due to a delay in the provision of comparable benefits.

(4) The following categories of service are exempt from a determination of the availability of comparable services and benefits:

(a) Assessment for determining eligibility, priority for services, and vocational rehabilitation needs.

(b) Vocational rehabilitation counseling, guidance, and referral services.

(c) Vocational and other training services, such as personal and vocational adjustment services, books, tools, and other training material not associated with training in an institute of higher education, that are defined as colleges and universities, community and junior colleges, vocational and technical schools or institutes, and hospital schools of nursing.

- (d) Awards and scholarships based on merit.
- (e) Rehabilitation technology services, including vehicle modifications.
- (f) Placement services.

History: 2015 AACCS.

**R 395.74 Services; general.**

Rule 24. (1) The services MRS counselors may provide, arrange, or purchase for an individual with a disability include those services related to an IPE necessary to assist the individual in preparing for, securing, retaining, or regaining an employment outcome in an integrated setting that is consistent with the individual's strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice.

(2) MRS services provided shall be published in MRS policy and be made available to the public.

History: 2015 AACCS.

**R 395.75 Post-secondary education and vocational training financial needs test.**

Rule 25. (1) College or vocational training may be provided as an IPE-related service when an individual requires new knowledge and skills to achieve an employment goal consistent with the individual's abilities, capabilities, and informed choice.

(2) Individuals shall make maximum effort to secure grant assistance in whole or in part from other sources to pay for post-secondary training. Counselors shall inform individuals considering post-secondary education that the individuals shall make timely annual application for post-secondary financial aid.

(3) MRS shall not provide financial assistance for any item covered in the cost of training attendance if the individual, or individual's family as applicable, fails to make maximum effort to apply for, or refuses to accept, federal, state, institutional, and other grants, need-based scholarships, or tuition waivers for which they may be eligible.

(4) Financial support for college or vocational training must be consistent with MRS' policy of purchasing the service that meets the individual's vocational rehabilitation needs at least cost to MRS.

(5) MRS shall impose a financial needs test for the student's cost of attendance of training at a post-secondary educational institution. The financial needs test utilized must be the federally established needs test using the Free Application for Federal Student Aid (FAFSA) or its equivalent, as required by the post-secondary institution, to determine student eligibility for state and federal financial aid.

(6) MRS shall not replace the expected family contribution, as determined by the post-secondary institution's financial aid officer using the federal student aid report, in contributing toward the individual's cost of attendance at a post-secondary institution.

(7) MRS shall not replace insurance benefits received, wholly or in part, as a settlement of liability for vocational rehabilitation services, in contributing toward the individual's cost of attendance at a post-secondary institution.

(8) MRS may provide maximum financial support toward an individual's cost of college or vocational training during the academic year of \$3,500.00 and \$1,200.00 for the

summer semester. MRS may consider an exception to the maximum when other forms of student aid are excluded due to disability-related factors. MRS shall periodically adjust the maximum financial support figures in accordance with increases in the cost of living.

(9) Individuals who are eligible for social security benefits under Title II and XVI of the social security act, 42 USC 401 to 434 and 1381 to 1383f, shall be exempted from financial need test requirements.

(10) Individuals attending Michigan Career and Technical Institute are exempt from financial need test requirements and financial aid limitations for the cost of attendance.

History: 2015 AACCS; 2026 MR 10, Eff. May 15, 2026.

### **R 395.76 Rates of payment.**

Rule 26. (1) MRS shall maintain a fee schedule for select vocational rehabilitation services. The fee schedule is a complete list of established rates of payment used to authorize and pay for specified services.

(2) The methodology for determining established rates of payment listed on the fee schedule must be made public and consider the costs, administrative burden, personnel of vendors, and utilize peer state research.

(3) The MRS fee schedule for vocational rehabilitation services is not absolute and MRS shall allow exceptions to the fee schedule so that individual needs can be addressed. The MRS fee schedule for vocational rehabilitation services must not be so low as to effectively deny an individual a necessary service.

(4) MRS shall authorize services not listed on the fee schedule at the least cost to MRS that will ensure sufficient quality of services to meet the individual's vocational rehabilitation need.

(5) MRS shall not place an absolute dollar limit on specific service categories or on the total services provided to an individual.

(6) MRS is not responsible for the cost of out-of-state services in excess of the cost of in-state services if either service would meet the individual's vocational rehabilitation needs.

History: 2015 AACCS.; 2024 AACCS; 2026 MR 10, Eff. May 15, 2026.

### **R 395.77 Case closure prior to eligibility.**

Rule 27. The MRS counselor shall close an individual's case record under any of the following conditions:

(a) It is determined that the individual does not meet MRS eligibility criteria.

(b) The individual selects an extended sheltered employment outcome after being informed of the integrated employment purpose of the program.

(c) The individual declines to participate in or is unavailable during an extended period to complete an eligibility assessment, and MRS has made a reasonable number of attempts to contact the individual or, as appropriate, the individual's representative to encourage participation.

(d) The individual has chosen to assign his or her Ticket to Work to an alternative third party vocational rehabilitation service with which MRS does not have an Employment Network Agreement.

(e) The individual refuses services, is deceased, or is institutionalized.

History: 2015 AACCS.

**R 395.78 Case closure; severity of disability.**

Rule 28. (1) A MRS counselor shall not close a case due to the severity of the individual's disability except when on the basis of clear and convincing evidence, and after a trial work experience or rehabilitation services have been provided, MRS determines that an employment outcome cannot be achieved.

(2) The individual, or parent or guardian as appropriate, shall be provided an opportunity to discuss an ineligibility decision before the individual's case is closed due to ineligibility.

(3) A MRS counselor shall prepare a certificate of ineligibility signed and dated by the MRS counselor for case closures due to ineligibility.

(4) Before closing a case non-rehabilitated for reasons of ineligibility due to severity of disability, the MRS counselor shall ensure that as part of the test of clear and convincing evidence, accommodation services and assistive technology would not enable the individual to become employed.

History: 2015 AACCS; 2026 MR 10, Eff. May 15, 2026.

**R 395.79 Requirements for closing the record of services of an individual who has achieved an employment outcome.**

Rule 29. The record of services of an individual who has achieved an employment outcome may be closed only if all of the following requirements are met:

(a) The individual has achieved the employment outcome that is described in the individual's IPE.

(b) The employment outcome is consistent with the individual's unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice.

(c) The individual has maintained the employment outcome for an appropriate period of time, but not less than 90 days, necessary to ensure the stability of the employment outcome, and the individual no longer needs vocational rehabilitation services.

(d) The individual and MRS counselor consider the employment to be satisfactory and agree the individual is performing well on the job.

(e) The individual is informed through appropriate modes of communication of the availability of post-employment services.

History: 2015 AACCS; 2024 AACCS.

**R 395.80 Individual not rehabilitated; case closure.**

Rule 30. (1) The MRS counselor may close the case record of an individual as not rehabilitated.

(2) Reasons for closing a case not rehabilitated other than for ineligibility include any of the following:

- (a) Inability to locate the individual or the individual has moved out of state.
- (b) Individual working with another employment network.
- (c) Death of the individual.
- (d) Extended services were not available for the individual.
- (e) The individual was placed in a non-integrated setting for a public or nonprofit organization under extended employment.
- (f) The individual will be in a facility such as a hospital, nursing home, or treatment center for a considerable period of time.
- (g) The individual has been incarcerated in a prison, jail, or other criminal correction facility.
- (h) The individual does not require MRS to prepare for, enter into, engage in, or retain gainful employment consistent with his or her strengths, resources, priorities, concerns, abilities, capabilities, and informed choice.
- (i) The individual is no longer interested in receiving services or further services, including an individual whose actions or non-actions make it impossible to begin or continue the vocational rehabilitation program.
- (j) The individual has transferred to another agency.
- (k) Transportation is not possible or available.
- (l) The individual has committed an act of violence or threatened violence.

History: 2015 AACCS.

**R 395.81 Rehabilitation case closure; supported employment.**

Rule 31. (1) The MRS counselor shall close rehabilitated in supported employment under any of the following circumstances:

- (a) The employment represents competitive employment in an integrated setting.
- (b) The individual is working towards competitive employment and is in an integrated work setting.

(2) The third party identified in the IPE shall confirm extended support services after case closure before a case is closed in supported employment.

History: 2015 AACCS; 2026 MR 10, Eff. May 15, 2026.

**R 395.82 Notice of case closure.**

Rule 32. (1) An individual whose case is closed for any reason, except for death or no known address, shall be notified in writing of his or her case closure. The case closure notice shall include all of the following:

- (a) The effective date of closure.
- (b) A narrative description of the reason or reasons for closure.
- (c) The right to appeal, including mediation, the closure decision.

(d) The process for seeking appeal and mediation, including the availability of the CAP to assist with an appeal.

(2) An individual shall be provided an opportunity to discuss case closure prior to the closure decision.

History: 2015 AACCS.

### **R 395.83 Rescinded.**

History: 2015 AACCS; 2024 AACCS.

### **R 395.84 Review; hearing; costs.**

Rule 34. (1) Individuals or, if appropriate, their representatives, have the right to appeal any decision made by MRS personnel that affects the provision of VRS with which they are dissatisfied by requesting a hearing.

(2) Written notification of the right to appeal, including the name and address of the person with whom an appeal may be filed, and the availability of the CAP, shall be provided to individuals at the following stages:

(a) At application.

(b) Case closure.

(c) When assigned an order of selection category.

(d) When an IPE is developed.

(e) Whenever an authorized service is reduced, suspended, or terminated.

(3) MRS shall provide any reasonable accommodations needed by an individual to participate in mediation and/or a hearing.

(4) Mediation and/or a hearing are provided at no cost to the individual.

(5) MRS is not responsible for any costs associated with the individual's representation at the mediation session or hearing or with any cost associated with the appearance of witnesses presented by the individual at the mediation session or hearing.

History: 2015 AACCS.

### **R 395.85 Informal review.**

Rule 35. (1) Whenever possible, MRS shall attempt to resolve disagreements informally, prior to mediation or a hearing.

(2) An individual may request a meeting with the MRS counselor, the appropriate supervisor, and/or a CAP representative, if desired, to explore options for resolving disputes. An individual may request a meeting with the MRS counselor, the appropriate supervisor, and/or a CAP or individual's representative, if desired, to explore options for resolving disputes.

(3) An individual may request mediation or a hearing immediately without undergoing the informal review.

(4) The informal review may not be used to deny or delay the individual's right to pursue mediation or the hearing within the specified time period.

History: 2015 AACCS.

**R 395.86 Continuation of services pending completion of hearing.**

Rule 36. Assessment, plan development, or IPE-related services that have been initiated shall not be suspended, reduced, or terminated pending mediation or the hearing decision unless the applicant or eligible individual or his or her representative so requests or there is evidence that the services have been obtained through misrepresentation, fraud, collusion, or criminal conduct on the part of the applicant, eligible individual, or his or her representative.

History: 2015 AACCS.

**R 395.87 Mediation.**

Rule 37. (1) Mediation is a voluntary process conducted by a qualified and impartial mediator. At any point during the mediation process, either party, or the mediator, may elect to terminate the mediation.

(2) An individual may request mediation after his or her request for a hearing is received.

(3) MRS shall send the request for mediation to the hearings coordinator. The hearings coordinator will assign, on a random basis, a qualified impartial mediator. The hearings coordinator must schedule mediation in a timely manner.

(4) Mediation will be held in a location that is convenient to the parties in the dispute.

(5) An individual appealing MRS decisions has the right to submit evidence or relevant information and present witnesses to support his or her position at mediation.

(6) An agreement reached in the mediation process shall be set forth in a written mediation agreement and must be signed by both parties.

(7) Discussions that occur during the mediation process are confidential and may not be used as evidence in any subsequent due process hearing or civil proceeding.

(8) Either party may enter the written signed mediation agreement as evidence in a subsequent hearing or civil proceeding.

(9) The individual may be represented at the mediation or hearing, including but not limited to, representation by the CAP.

(10) The mediation process may not be used to deny or delay the individual's right to pursue a hearing within the specified time period.

History: 2015 AACCS.

**R 395.88 Hearing.**

Rule 38. (1) An individual who is dissatisfied with any determination made by MRS concerning the provision of VRS may seek a redetermination of agency action before an impartial hearing officer.

(2) The individual must submit a written appeal within 30 calendar days of the agency notice regarding its determination or decision.

(3) Agency notice regarding the provision or denial of a service is not required to be in writing, unless it is a suspension, reduction, or termination of authorized services in an IPE.

(4) Individuals will be notified in writing 10 working days before the termination, reduction, or suspension of authorized services being provided under an IPE.

(5) If no request for hearing is made within 30 calendar days, the agency decision is considered final.

(6) The request for hearing shall be in writing, and shall describe the decision being appealed. MRS shall accommodate an individual's disability and offer assistance, if appropriate, in the appeal process. The request for hearing shall be sent to the director of MRS who shall immediately forward the request to the hearings coordinator.

(7) The hearings coordinator shall forward the request for hearing to the Michigan Administrative Hearing System (MAHS) to be scheduled for a hearing with a qualified impartial hearing officer.

(8) The hearing shall be held within 60 calendar days of receipt of the request for hearing.

(9) The individual may waive the 60-day time frame to hold the hearing if both parties agree to an extension of time in writing.

(10) A hearing may be dismissed by MAHS if the individual or his or her representative does either of the following:

(a) Withdraws the hearing request in writing.

(b) Fails to appear at the hearing without good cause.

(11) The hearing shall be conducted by MAHS and shall include an opportunity for the individual or the individual's representative to present witnesses and relevant evidence.

(12) The hearing officer shall issue a full written report of the findings and grounds for the decision within 30 days of the completion of the hearing.

(13) The hearing officer's decision is final unless either party commences a civil action.

(14) Any party that disagrees with the final decision of the hearing officer has the right to file a civil action challenging the decision of the hearing officer. The action may be brought in any state court of competent jurisdiction or in a district court of the United States of competent jurisdiction without regard to the amount in controversy.

History: 2015 AACCS.

### **R 395.89 Ability to serve all eligible individuals; order of selection for services.**

Rule 39. (1) MRS shall have the ability to provide the full range of services listed in 34 CFR 361.48, as appropriate, to all eligible individuals or, in the event that vocational rehabilitation services cannot be provided to all eligible individuals in this state who apply for the services, include in the vocational rehabilitation services portion of the unified or combined state plan the order to be followed in selecting eligible individuals to be provided vocational rehabilitation services.

(2) The ability of MRS to provide the full range of vocational rehabilitation services to all eligible individuals must be supported by a determination that satisfies the requirements of subrules (1) to (3) of this rule and a determination that, on the basis of MRS's projected fiscal and personnel resources and its assessment of the rehabilitation

needs of individuals with significant disabilities within this state, MRS can complete all of the following:

(a) Continue to provide services to all individuals currently receiving services.

(b) Provide assessment services to all individuals expected to apply for services in the next fiscal year.

(c) Provide services to all individuals who are expected to be determined eligible in the next fiscal year; and

(d) Meet all program requirements.

(3) If MRS is unable to provide the full range of vocational rehabilitation services to all eligible individuals in this state who apply for the services, the vocational rehabilitation services portion of the unified or combined state plan must address all of the following:

(a) Show the order to be followed in selecting eligible individuals to be provided vocational rehabilitation services.

(b) Provide a justification for the order of selection.

(c) Identify service and outcome goals and the time within which the goals may be achieved for individuals in each priority category within the order, as required under 34 CFR 361.29(c)(5).

(d) Ensure both of the following:

(i) In accordance with criteria established by the MRS for the order of selection, individuals with the most significant disabilities are selected first for the provision of vocational rehabilitation services.

(ii) Individuals who do not meet the order of selection criteria have access to services provided through the information and referral system established under 34 CFR 361.37.

(e) State whether MRS elects to serve, in its discretion, eligible individuals, whether or not the individuals are receiving vocational rehabilitation services under the order of selection, who require specific services or equipment to maintain employment, notwithstanding the assurance provided pursuant to subdivision (d)(i) of this subrule.

(4) For MRS to determine, for the current fiscal year and the preceding fiscal year, that it is able to provide the full range of services, as appropriate, to all eligible individuals, MRS, during the current fiscal and preceding fiscal year, shall have completed all of the following:

(a) Provided assessment services to all applicants and the full range of services, as appropriate, to all eligible individuals.

(b) Made referral forms widely available throughout this state.

(c) Conducted outreach efforts to identify and serve individuals with disabilities who have been unserved or underserved by the vocational rehabilitation system.

(d) Not delayed, through waiting lists or other means, determinations of eligibility, the development of individualized plans for employment for individuals determined eligible for vocational rehabilitation services, or the provision of services for eligible individuals for whom individualized plans for employment have been developed.

(5) For MRS to determine that it is unable to provide the full range of services to all eligible individuals during the current or preceding fiscal year or when MRS has not met the requirements in subrule (4)(a) of this rule, the determination that MRS is able to provide the full range of vocational rehabilitation services to all eligible individuals in the next fiscal year must be based on all of the following:

(a) A demonstration that circumstances have changed that will allow MRS to meet the requirements of subrule (3) of this rule in the next fiscal year, including all of the following:

(i) An estimate of the number of and projected costs of serving, in the next fiscal year, individuals with existing individualized plans for employment.

(ii) The projected number of individuals with disabilities who will apply for services and be determined eligible in the next fiscal year and the projected costs of serving those individuals.

(iii) The projected costs of administering the program in the next fiscal year, including, but not limited to, costs of staff salaries and benefits, outreach activities, and required statewide studies.

(iv) The projected revenues and projected number of qualified personnel for the program in the next fiscal year.

(b) Comparable data, as relevant, for the current or preceding fiscal year, or for both years, of costs and an explanation of any projected increases or decreases in these costs and resources.

(c) A determination that the projected revenues and the projected number of qualified personnel for the program in the next fiscal year are adequate to cover costs to ensure the provision of the full range of services, as appropriate, to all eligible individuals.

(6) MRS shall determine, before the beginning of each fiscal year, whether to establish and implement an order of selection and adhere to the following requirements:

(a) If MRS determines that it does not need to establish an order of selection, it must reevaluate this determination whenever circumstances change during the course of a fiscal year, such as a decrease in its fiscal or personnel resources or an increase in its program costs, and indicate that it may no longer be able to provide the full range of services, as appropriate, to all eligible individuals.

(b) If MRS establishes an order of selection, but determines that it does not need to implement that order at the beginning of the fiscal year, it shall continue to meet the requirements of subrule (3) of this rule, or it must implement the order of selection by closing 1 or more priority categories.

(7) An order of selection must be based on a refinement of the 3 criteria in the definition of an individual with a significant disability in 34 CFR 361.5(c)(30).

(8) Other factors, that are not based on a refinement of the 3 criteria in the definition of an individual with a significant disability in 34 CFR 361.5(c)(30), cannot be used in determining order of selection of eligible individuals, including any of the following:

(a) Any duration of residency requirement, provided the individual is present in this state.

(b) Type of disability.

(c) Age, sex, race, color, or national origin.

(d) Source of referral.

(e) Type of expected employment outcome.

(f) The need for specific services, except those services provided in accordance with 34 CFR 361.36(a)(3)(v), or anticipated cost of services required by an individual.

(g) The income level of an individual or an individual's family.

(9) In administering the order of selection, MRS must abide by the following:

(a) Implement the order of selection on a statewide basis.

(b) Notify all eligible individuals of the priority categories in MRS's order of selection, their assignment to a particular category, and their right to appeal their category assignment.

(c) Continue to provide services to any recipient who has begun to receive services, irrespective of the severity of the individual's disability, as follows:

(i) MRS shall continue to provide pre-employment transition services to students with disabilities who were receiving the services before being determined eligible for vocational rehabilitation services.

(ii) MRS shall continue to provide an eligible individual all needed services listed on the individualized plan for employment if the individual had begun receiving the services before the effective date of the MRS's order of selection.

(d) Ensure that its funding arrangements for providing services under the vocational rehabilitation services portion of the unified or combined state plan, including third-party arrangements and awards under the establishment authority, are consistent with the order of selection. If any funding arrangements are inconsistent with the order of selection, MRS shall renegotiate these funding arrangements so that they are consistent with the order of selection.

(10) MRS shall consult with the Michigan Council on Rehabilitation Services regarding all of the following:

(a) Need to establish an order of selection.

(b) Priority categories of the particular order of selection.

(c) Criteria for determining individuals with the most significant disabilities.

(d) Administration of the order of selection.

History: 2026 MR 10, Eff. May 15, 2026.

### **R 395.90 Standards for third-party vendors.**

Rule 40. (1) MRS may, at its discretion, require third-party vendors to provide information substantiating their experience, quality, and safety before authorizing vendors to provide services to MRS participants, including both of the following:

(a) Professional license checks.

(b) Criminal background checks that are subject to the following requirements:

(i) MRS may conduct criminal background checks using only the internet criminal history access tool (ICHAT), the state sex offender registry or the national sex offender registry.

(ii) MRS may deny authorizing a vendor to provide services if criminal background checks discover any of the following:

(A) The individual has been convicted of a relevant crime described under 42 USC 1320a-7(a), including, but not limited to, conviction of program-related crimes, conviction relating to patient abuse, felony conviction relating to health care fraud, and felony conviction related to controlled substance.

(B) The vendor or individual staff member fails to comply with MRS enrollment requirements pursuant to the national child protection act of 1993, 34 USC 40101 to 40104, including but not limited to failure to submit timely and accurate information, failure to cooperate with MRS screening methods, failure to allow access to provider locations for site visits, and inability to verify a provider applicant's identity.

(C) The vendor or individual staff member staff is convicted of violating the medicaid false claims act, MCL 400.601 to 400.615, the False Claims Act, 31 USC 3729 to 3733, or a substantially similar statute by another state or the federal government.

(D) The individual staff member has a federal or state felony conviction within the preceding 10 years after conviction, including any criminal offense related to murder, rape, abuse or neglect, assault, and other similar crimes against individuals, extortion, embezzlement, income tax evasion, insurance fraud, and other similar financial crimes.

(E) The individual staff member has a federal or state misdemeanor conviction within the preceding 5 years after conviction any criminal offense related to any misdemeanor crime listed as a permissive exclusion in 42 USC 1320a-7(b), including rape, abuse or neglect, assault, and other similar crimes against individuals, or extortion, embezzlement, income tax evasion, insurance fraud, and other similar financial crimes.

(c) Debarment check in the system of award management.

(d) Adherence checks to all relevant state and federal laws when acting as an employer of record for an individual receiving MRS services.

(2) MRS shall make available to the public all requirements and processes related to the assessment of vendors.

(3) MRS shall only assess vendors as described in subrule (1)(a) and (b) of this rule who have provided their written consent.

(4) MRS shall not share the specific results of any vendor assessment with anyone other than the vendor or individual being vetted and internal MRS staff on a need-to-know basis.

History: 2026 MR 10, Eff. May 15, 2026.

### **R 395.91 Requirements for third-party vendors providing customized employment**

services.

Rule 41. To qualify as a vendor to deliver customized employment services, all individual vendor staff providing customized employment services shall complete the following:

(a) Association of Community Rehabilitation Educators (ACRE) course completion and certification in customized employment subject to the following:

(i) MRS shall accept ACRE courses where the primary focus is customized employment and certifications provided by the following organizations:

(A) Griffin Hammis Associates.

(B) Mark Gold and Associates.

(C) Incompass.

(D) TransCen.

(E) Other organizations that MRS has provided written approval to the vendor as acceptable substitutes.

(ii) Vendors approved to provide customized employment services to MRS participants must retain and make available to MRS on request all staff training documentation, including the name of the ACRE training, organization conducting the training, dates of the training, course syllabus or equivalent, and ACRE certification in vendor staff's name.

(b) Ten hours of professional development related to customized employment every calendar year subject to the following:

(i) Hours must be prorated based on the date vendor staff began providing customized employment to MRS participants. For example, a vendor staff member who began providing customized employment in June would only be required to obtain 5 hours of professional development for that calendar year.

(ii) Acceptable professional development categories activities include:

(A) Mentoring, including providing one-on-one feedback and guidance on customized employment work performed.

(B) Technical assistance, including providing additional customized employment subject matter expertise.

(C) Attending community of practices or similar events.

(D) Participating in trainings in which customized employment is the primary subject.

(E) Attending events, conferences, or webinars in which customized employment is the primary focus.

(F) Other professional development activities that MRS has provided written approval to the vendor as acceptable substitutes.

(iii) A vendor shall retain and make available to MRS on request staff professional development documentation, including all of the following:

(A) The category of professional development activity.

(B) The individual and associated agency providing the professional development activity.

(C) A short summary of the outcome of the professional development activity.

(D) The length of time vendor staff members engaged in the professional development activity.

(E) The total number of professional development activity hours for the calendar year.

History: 2026 MR 10, Eff. May 15, 2026.