# Slide 1 **Special Employer Incentive (SEI) Program Training**

Hello. Welcome to training on Special Employer Incentives.

# Slide 2 **Topic Objectives**

Upon completion of this topic, you will be able to set up and implement a special employer incentive program. More specifically, you will be able to define the purpose of a Special Employer Incentive (SEI); explain employer and claimant benefits of utilizing an SEI; document the set-up process; and engage in SEI case management activities.

# Slide 3 **Program Overview**

What is the Special Employer Incentive Program? The SEI program is an initiative that connects job-seeking claimants requiring special assistance with employment opportunities in the private sector.  Some claimants may not be able to locate suitable employment opportunities in their local commuting areas or may face additional challenges due to their disabilities.  To gain specific training or work experience, these claimants can be placed through an SEI to help obtain and maintain employment.

The advantage to private-sector employers is that claimant Readiness & Employment (VR&E) will reimburse up to 50% of the expenses incurred because of either providing direct employment or on-the-job training opportunities to claimants.  (VR&E cannot make payments to government employers, including Federal, state, or local agencies as a part of this initiative)

Rehabilitationcounselors want to provide services to claimants that will improve their quality of life. On December 18, 2015, The Protecting Americans from Tax Hikes Act of 2015 was signed into law. The law emphasizes seamless transition for Service members, expands education and training opportunities for claimants, and provides tax credits for employers who hire claimants with service-connected disabilities. Although the law includes many key components to assist claimants, today’s training will focus only on the SEI section of the law. This section focuses on claimants participating in the Chapter 31 VocationalRehabilitation and Employment Program who are ready to work but need additional assistance for job placement. Through this program, our government provides its unwavering support for our claimants in ensuring they have the resources to overcome the effects of their disabilities and to become suitably employed.

SEI is a useful placement tool for eligible claimants who face extraordinary obstacles to obtaining employment. claimants who are generally qualified for employment, but may lack some specific training or work experience, can be placed in an OJT experience to gain the skills necessary to maintain that employment. claimants may participate in an SEI program if they have completed training under the Chapter 31, VA Vocational Rehabilitation and Employment program or received services in RTE status under an IWRP or IWRP/IEAP, are generally qualified for employment, and are declared job ready by their Case Manager. The Case Manager must determine that an SEI program is necessary.

 After placement in an SEI program, the Case Manager will closely monitor the claimant’s progress to ensure that all training and employment goals are being met. Since claimants who participate in SEI programs are employed by the participating employers from the start, employment is expected to continue after the training program has ended.

# Slide 4 **Claimants’ Eligibility Requirements**

An SEI program may be authorized for claimants who are unable to fully complete their training programs, choose to eliminate training and pursue employment services, and are declared job ready. An SEI program may also be authorized for those claimants who pursue a program consisting of solely employment services. Prior to this change, a claimant needed to have completed rehabilitation services, such as job retraining or education, to qualify for special employer incentives. An SEI program can be used when an individual is qualified for employment and declared job ready.

# Slide 5 **48-18 Month Rule**

The period in which an employer hires a claimant through an SEI program is not subject to the eligibility period to use benefits or the 48-month entitlement. The period under which SEI is provided counts toward the 18-month limitation on the duration of employment services.

The Case Manager must clearly document the SEI period in Corporate WINRS (CWINRS) Notes to ensure that entitlement and period of employment services are accurately recorded and administered as stated in M28CVI.A.3.03(f). Case Managers must also establish that potential employers comply with the course and facility approval provisions as outlined under 38 Code of Federal Regulations (CFR) 21.290 and 21.292; and ensure that employers comply with the Rehabilitation Act of 1973, as amended, and with 38 United States Code 4212 regarding equal employment opportunity requirements for claimants with disabilities.

The Department of Labor (DOL) publishes a list of non-complying employers. This list can be found at https://www.dol.gov/ofccp/. Unless a question arises regarding an employer’s compliance, the Case Manager will consider that an employer not on this list meets these compliance requirements. Case Managers should direct questions concerning compliance to the local DOL representative or to the Education Liaison Representative at the VA Regional Office.

# Slide 6 **Employer Benefits**

There is tremendous support available to private-sector employers and it is to their advantage to hire claimants through the SEI program. Monetary support aids claimants, transitioning Service members**,** and employers to ensure that during the training period, the claimant can perform the duties of the assignment without initial permanent placement*,* or in other words being hired as a permanent employee. The SEI program gives employers flexibility to determine the most effective and efficient distribution of their staff resources based upon the distinct roles and responsibilities of the claimants, while eliminating some of the financial responsibilities.

The SEI program provides employers up to 50 percent of the claimant’s salary to cover expenses incurred for cost of instruction, loss of production, and additional supplies and equipment needed to hire and accommodate the claimant. A claimant is eligible for the SEI program based on the significant challenges he or she faces in finding employment and will most likely require additional attention from the employer that may not be given to a non-disabled employee. This program provides employers compensation for this extra effort and attention through appropriate reimbursements for the incurred hiring and training costs.

# Slide 7 **Claimant Benefits**

Permanent placement in the company is expected after the claimant’s completion of the SEI program. This program provides the opportunity for the claimant to demonstrate that they can perform the assigned duties throughout the six-month period (with two additional three-month periods of SEI if approved by the VR&E Officer, if reasonable to assume the extended period of service would increase the claimant’s marketability and/or employment options). Through development, orientation and assistance, the claimant is able to establish and maintain appropriate networks and positive employer relationships. The financial assistance from the SEI is intended for the employer to overcome the financial difficulty that may result from hiring the claimant for the OJT. claimants will receive immediate income and benefits, valuable skills and individualized support, and help achieving the overall program goal of obtaining permanent employment.

# Slide 8 **Determining the Need**

An SEI program should be arranged whenever the Case Manager determines that this service is needed for the claimant to obtain employment. Case Managers will need to determine whether SEI opportunities are necessary to overcome obstacles such as age, disabilities, work history, a limited number of employers in the commuting area and/or adjustment problems. Age can adversely affect employment opportunities, especially those advanced in age and younger claimants. An employer may treat an applicant or employee less favorably because of his or her disability or because of a physical or mental impairment. The claimant may not have worked for several years and does not have the work experience to be competitive for traditional application and hiring procedures. The claimant may experience adjustment problems as a result of entering a new profession or employment environment. Claimants may also experience a hardship with the change from a military to a civilian work environment or live in areas where the employment rate is low. A claimant’s participation in an SEI program may increase his or her chances of securing employment locally.

In addition to a claimant experiencing extenuating circumstances, the individual must have the knowledge, skills and abilities to enter employment status. A Case Manager may determine that a claimant with an employment handicap is already employable and needs only employment services to obtain or maintain suitable employment. For example, a claimant may already have transferrable skills from a previous employer or adequate education or training to qualify for a job. If the Case Manager determines that a specific vocational goal is reasonably feasible and training is not needed, then consider an SEI.

# Slide 9 **Operational Procedures**

All Case Managers should be familiar with the process and requirements for developing a plan for an SEI program. Establishing an SEI opportunity should be a streamlined and expedited process. Initial procedures should determine the need for an SEI, locate employer/interested companies, conduct a site visit, develop or amend the rehabilitation plan, and coordinate Appendix Q (Special Employer Incentive Arrangement), for Education and Training between VA and the agency, and Appendix R (Special Employer Incentive Payment Schedule).

# Slide 10 **Required Forms**

The development will also include the completion of

1. VA Form (VAF) 22-8794, Designation of Certifying Official,
2. VAF 20-8206, Statement of Assurance of Compliance with Equal Opportunity Laws,
3. VAF 28-1904, Agreement to Train On The Job Disabled Veterans, and
4. VAF 28-1905m, Request for Receipt of Supplies, when applicable.

Case Managers will coordinate with the employer the completion of Appendix Q, Special Employer Incentive Arrangement, with Appendix R, Special Employer Incentive Payment Schedule. Let’s take a closer look at each of these forms, and review the steps and procedures for setting up an SEI program between the employer and claimant, and VA.

# Slide 11 [**Appendix R - Special Employer Incentive Payment Schedule**](https://vaww.vrm.km.va.gov/img/vre/Appendix%20R.docx)

The Case Manager will coordinate the completion of Appendix R, Special Employer Incentive Payment Schedule. This form is used in projecting the amount of reimbursement that VA will pay to the employer for the incurred fees and costs of employing the claimant. It also provides the claimant’s wages, start and end dates, and duration under the SEI program.

Employers may receive reimbursement only for direct expenses. Direct expenses include instructional costs, instructional aids, training materials, supplies, modification of equipment or working areas to allow the claimant to be as productive as other workers, and costs for any significant loss of company productivity.

# Slide 12 [**Appendix Q – Special Employer Incentive Arrangement/Contract**](https://vaww.vrm.km.va.gov/img/vre/Appendix%20Q.docx)

The employer and VA mustcomplete Appendix Q, Special Employer Incentive Arrangement, and all other required forms before the claimant begins work. Without a signed arrangement,the SEI isnot valid, and reimbursements cannot be paid to the Employer. The Case Manager is responsible for signing Appendix Q with the employer if it is less than six months in length. The VR&E Officer is responsible for authorizing arrangements for periods longer than six months. Within the arrangement, the employer will agree to the payment schedule stated on Appendix R, in addition to the rest of the arrangement on Appendix Q. In this agreement, the employer will identify the amount of money that will be paid to the claimant for the six months of employment. Additionally, Appendix Q and supporting forms and documentation must specify the start and end dates, salary, projected total in wages and anticipated amount of reimbursement from VA. Appendix Q should also include the statement that the claimant will not displace a current employee or prevent the recall of a laid-off employee.

# Slide 13 **Case Management**

During employment services, the Case Manager must provide the same level of management provided to other claimants receiving employment services. The claimant mustbe provided an initial face-to-face appointment within 30 days of beginning the SEI opportunity and each month thereafter.

The Case Manager shall provide the level of support necessary to ensure the successful completion of the program. Early intervention, should problems arise, will help to stabilize the claimant during and after the SEI program. The Case Manager must perform follow-up efforts to address the employer’s feedback regarding the claimant’s progress. For all SEI programs, the Case Manager will maintain progress notes. Progress notes must be documented on VAF 28-1905d, Special Report of Training, or in CWINRS notes. The employer must also submit VAF 28-1905c, Monthly Record of Training and Wages, which is completed by the employer and submitted to the Case Manager for review.

# Slide 14 **Employer Reimbursement**

Employers may receive reimbursement only for direct expenses to include instructional costs, training materials and supplies, modification of equipment or working areas, or any significant loss of company productivity. The employer may submit payment vouchers on a monthly or quarterly basis or at the end of the claimant’s SEI program only. The voucher must include the start and end dates of the period for which the employer is claiming reimbursement, wages the employer paid during this period to the claimant, and wages the employer paid during this period to employees in the same or similar jobs, if applicable. The reimbursement request from the employer should include itemized information on the amount of reimbursement the employer claims for instruction costs, productivity losses and supply and equipment expenses.

Case Managersshould review the vouchers, ensure the amounts or costs correspond with Appendix Q, Special Employer Incentive Arrangement, and Appendix R, Special Employer Incentive Payment Schedule and VAF 28-1905c, Monthly Record of Training and Wages, that the employer previously submitted. TheCase Manager should also ensure the total claim does not exceed 50 percent of item five of Appendix R, Special Employer Incentive Payment Schedule, of the arrangement and does not exceed 50 percent of the salary paid for the time period invoiced. If the claim is incorrect, return the voucher to the employer with an explanation of the reasons for the return.

# Slide 15 **Program Extensions**

If the initial six-month program did not help the claimant to obtain permanentemployment, or satisfy the training requirement, the Case Manager may request up to two additional three-month periods of SEI if it is reasonable to assume the extended period of service would increase the claimant’s marketability and/or employment options, but the VR&E Officer must approve the extension(s). Also consider possible adjustments to the plan throughout the life of the program as some claimants will benefit from a program that focuses on the development of a specific set of skills, whereas other claimants may need the opportunity to develop or improve basic employment skills.

Remember, that whenever an SEI is extended, Case Managers must coordinate and update Appendix Q, Special Employer Incentive Arrangement, with Appendix R, Special Employer Incentive Payment Schedule, along with all other required forms.

# Slide 16 **Termination or Reevaluation**

Case Managers may need to assist claimants when there is termination of employment or the need for reevaluation, for reasons such as the exhaustion of benefits. A claimant may have to leave his or her position due to performance, or the deterioration of a disability or other issues.

The Case Manager may need to reevaluate a participating claimant’s current employment needs. After the reevaluation, the Case Manager and claimant may decide to pursue and develop another SEI opportunity with a different employer. This new SEI opportunity may occur without regard to the number of months of entitlement used in the previous SEI opportunity.

Case Managers should carefully monitor entitlement usage for claimants who do not have a serious employment handicap to ensure that these claimants do not use more than 48 months of entitlement.

# Slide 17 **Subsistence Allowance**

No claimant may receive Chapter 31 subsistence allowance while participating in an SEI program. However, SEI participants are eligible for all other services that claimants can receive under VR&E’s Employment Services. Per 38 CFR 21.256, the period for which the employer is paid may not exceed the period necessary to accomplish on the job training or to begin and maintain employment at the journeyman level for at least two months. The Case Manager will not charge basic Chapter 31 entitlement for the period during which the employer is entitled to reimbursements of direct expenses under the program.

# Slide 18 **Topic Recap**

In summary, the SEI program is an initiative that connects job-seeking claimants requiring special assistance with employment opportunities in the private sector.  Some claimants may not be able to locate suitable employment opportunities in their local commuting areas or may face additional challenges due to their disabilities to gain specific training or work experience, these claimants can be placed through an SEI to help obtain and maintain employment.

Now that you have completed this topic, you are able to:

* Define the purpose of a Special Employer Incentive (SEI)
* Explain employer and claimant benefits of utilizing an SEI
* Document the set-up process
* Engage in SEI case management activities

# Slide 19 **Training References**

For additional information and guidance on the Special Employer Incentive program,please refer to the following:

* 38 CFR 21.256 (Incentives for employers)
* M28C.VI.A.3.02 (Special Employer Incentive)

# Slide 20 **Thank You**

Thank you. This concludes the training. Have a great VA day!