

HB 211: The Employment First Bill

Supporting Research Packet Overview

1. Employment First Position Paper	2
2. Employment First Bill	4
3. Employment First Bill Cross Walk	7
4. “The Time is Now: Embracing Employment First” one page synopsis and full report	8
5. Alaska “Employment First” Overview Flyer	33
6. “The cost-trends of supported employment versus sheltered employment” one page synopsis, California services cost chart, Alaska services cost chart, and full report	35
7. “Employment as a health determinant for working-age, dually-eligible people with disabilities” one page synopsis and full report	44
8. Employment First Flyer for Individuals with Disabilities & Families	53
9. Employment First Flyer for Employers	55
10. Governor’s Proclamation on Disability Employment Awareness Month	57



Photo courtesy of Project SEARCH

Please join the Council in supporting HB 211: The Employment First Bill

WHAT IS IT?

The Employment First Bill directs all state agencies to focus on employment in the general workforce as the first and preferred outcome for all working-age Alaskans with disabilities.

- State agencies that provide services to persons with disabilities must consider integrated and competitive employment as the first and preferred option in planning services for working-age individuals with disabilities.
- All state agencies that provide support to individuals with disabilities must follow the policy described above and ensure that it is effectively implemented in their programs and services.
- The Employment First Bill does not require employers to give preference to hiring persons with disabilities. All individuals should be hired commensurate with their abilities and qualifications.

HOW WILL IT WORK?

- The Departments of Education, Labor and Health & Social Services will annually provide data on the services and employment of individuals with disabilities to the Alaska Mental Health Trust Authority.
- For these departments:
 - Gainful employment means full or part time-work where wages are no less than those paid for the same or similar work performed by individuals without disabilities.
 - The priority of all services, education and training is employment in the general workforce in integrated, community settings, where individuals with disabilities work alongside individuals without disabilities (i.e., not employment in enclaves or sheltered workshops).

WHY IS IT NEEDED?

- Employment has been associated with lower health care costs to federal and state benefit programs, according to a 2013 study at Kansas State University.
- In Alaska, approximately 47% of individuals with a disability are currently employed, compared to the 80% of individuals who are employed in the general population.¹
- Alaskan employers need to plan ahead to fill the gap in available workforce due to the retirement of the *Baby Boomer* generation. Employers are missing out on an integral and untapped segment of the workforce when they do not consider individuals with disabilities to meet their employment needs.
- Work provides a meaningful outlet for skills and talents. It is often how individuals form their identity within their community. Individuals with disabilities want the opportunity to work.

Please support HB 211.

¹ American Community Survey, 2011.

HOUSE BILL NO. 211

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE MILLETT

Introduced: 1/10/14

Referred: Prefiled

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the education and employment of individuals with disabilities."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 *** Section 1.** AS 14.03.078 is amended by adding a new subsection to read:

4 (b) By December 31 of each year, the department shall provide to the Alaska
5 Mental Health Trust Authority established by AS 47.30.011 a report on the progress of
6 school districts in the state toward the objective of AS 14.30.278(b), based on
7 performance indicators included in the most current plan submitted by the state to the
8 United States Secretary of State as required under 20 U.S.C. 1412(a).

9 *** Sec. 2.** AS 14.30.278 is amended by adding new subsections to read:

10 (b) When providing transition services as defined in 20 U.S.C. 1401(34) to a
11 child with a disability who is over 15 years of age as part of a program of special
12 education and related services under AS 14.30.180 - 14.30.350, a school district's
13 primary objective and preferred outcome is to help the child become gainfully
14 employed in an integrated workplace where individuals with disabilities work with
15 and alongside of individuals without disabilities.

1 (c) In this section, "gainfully employed" means employed full time or part
2 time for compensation that is

3 (1) at or above the minimum wage; and

4 (2) not less than the compensation paid by the employer for the same
5 or similar work performed by an individual who is not disabled.

6 * **Sec. 3.** AS 23.15 is amended by adding a new section to read:

7 **Sec. 23.15.095. Gainful employment of individuals with disabilities.** (a)

8 When providing vocational training, vocational rehabilitation, or employment
9 placement of an individual with a disability, the agency's primary objective and
10 preferred outcome is to help the individual become gainfully employed in an
11 integrated workplace where individuals with disabilities work with and alongside of
12 individuals without disabilities.

13 (b) By December 31 of each year, the commissioner shall provide to the
14 Alaska Mental Health Trust Authority established by AS 47.30.011 a report on the
15 agency's progress toward the objective under (a) of this section.

16 (c) In this section, "gainfully employed" means employed full time or part
17 time for compensation that is

18 (1) at or above the minimum wage; and

19 (2) not less than the compensation paid by the employer for the same
20 or similar work performed by an individual who is not disabled.

21 * **Sec. 4.** AS 39.28.040 is amended by adding new subsections to read:

22 (b) When administering requirements of this chapter related to the vocational
23 training, vocational rehabilitation, or employment placement of an individual with a
24 disability who can reasonably be expected to benefit in terms of employability from
25 the provision of vocational rehabilitation services, the department's primary objective
26 and preferred outcome is to help the individual become gainfully employed in an
27 integrated workplace where individuals with disabilities work with and alongside of
28 individuals without disabilities.

29 (c) Nothing in this section requires the hiring of an individual with a disability.

30 (d) In this section,

31 (1) "gainfully employed" means employed full time or part time for

1 compensation that is

2 (A) at or above the minimum wage; and

3 (B) not less than the compensation paid by the employer for the
4 same or similar work performed by an individual who is not disabled;

5 (2) "individual with a disability" means an individual who has a
6 physical or mental impairment that substantially limits one or more major life
7 activities and that constitutes or results in a substantial barrier to employment.

8 * **Sec. 5.** AS 47.80 is amended by adding a new section to read:

9 **Sec. 47.80.135. Gainful employment of persons with disabilities.** (a) When
10 carrying out duties under AS 47.80.130 related to the provision of services to a person
11 with a disability, the department's primary objective and preferred outcome is to help
12 the person become gainfully employed in the general workforce of the public or
13 private sector in an integrated workplace where persons with disabilities work with
14 and alongside of persons without disabilities.

15 (b) By December 31 of each year, the commissioner of health and social
16 services shall provide to the Alaska Mental Health Trust Authority established by
17 AS 47.30.011 a report on the department's progress toward the objective under (a) of
18 this section.

19 (c) In this section, "gainfully employed" means employed full time or part
20 time for compensation that is

21 (1) at or above the minimum wage; and

22 (2) not less than the compensation paid by the employer for the same
23 or similar work performed by a person who is not disabled.

Cross Walk for HB 211: The Employment First Bill

Section 1: Amends section 14.03.078

- The Department of Education is required to submit an annual progress report on transition services performance indicators to the Alaska Mental Health Trust (this data already acquired).

Section 2: Amends 14.03.120

- The Department of Education must make the primary objective of “transition services” helping a child with disabilities become gainfully employed in an integrated setting.

Section 3: Amends 23.15

- Department of Labor and Workforce Development shall make gainful employment in the general workforce the priority of vocational training, rehabilitation, or placement and submit an annual progress report to the Alaska Mental Health Trust Authority.
- Gainful employment is full time or part time work that is:
 - At or above minimum wage
 - No less than compensation paid by the employer for the same or similar work performed by a person without a disability
- General workforce refers to employment in the community, where persons with disabilities work with and alongside persons without disabilities.

Section 4: Amends 39.28.040

- When the Department of Administration administers the requirements of the affirmative action plan, the primary goal of vocational training, voc rehabilitation or employment placement of an individual with disabilities should be gainful employment in the general workforce.
- Gainful employment is full time or part time work that is:
 - At or above minimum wage
 - No less than compensation paid by the employer for the same or similar work performed by a person without a disability
- General workforce refers to employment in the community, where persons with disabilities work with and alongside persons without disabilities.

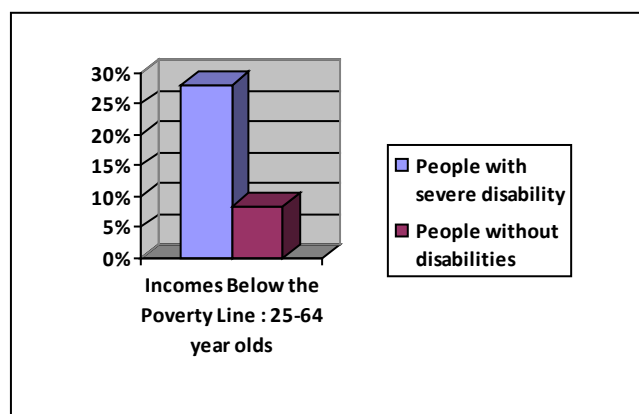
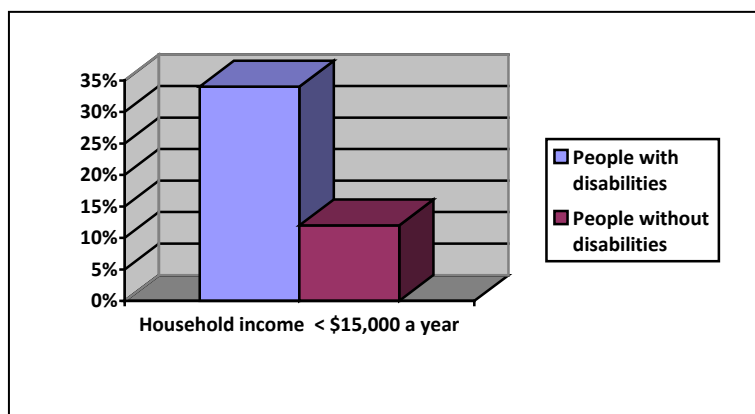
Section 5: Amends 47.80.135

- The Department of Health and Social Services should make the goal of vocational training, voc rehabilitation or employment placement of an individual gainful employment in the general workforce and submit an annual progress report to the Alaska Mental Health Trust Authority.
- Gainful employment is full time or part time work that is:
 - At or above minimum wage
 - No less than compensation paid by the employer for the same or similar work performed by a person without a disability
- General workforce refers to employment in the community, where persons with disabilities work with and alongside persons without disabilities.

“The Time is Now: Embracing Employment First” - National Association of Councils on Developmental Disabilities

A Synopsis:

- **88% of working age adults who have a developmental disability are unemployed.**
 - Alliance for Full Participation, “Real Jobs - It's Everyone's Business”. Accessed: July 24, 2011. <http://www.allianceforfullparticipation.org/about-afp-2/campaign-for-real-jobs>
- *Employment First is a concept and a practice which presupposes that all individuals with developmental disabilities, given adequate supports, can obtain and sustain integrated competitive employment.*
- **Social Benefits of Employment to Individuals with Developmental Disabilities and their Families:**
 - An opportunity to live independent meaningful lives alongside their non-disabled peers.
 - “What happens after the school bus stops coming?” – Employment is a huge aspect of life!
- **Social Benefits of Employment to Employers and Communities:**
 - Research acknowledges the benefits of a diverse work environment, which includes a larger pool of ideas, more innovation, and increased tolerance/acceptance.
- **Economic Benefits to Individuals with Developmental Disabilities and Families:**
 - Despite making up the country’s largest minority population, the poverty rates of people with disabilities are much higher than that of the general population.



- World Institute on Disability, A Perfect Fit: People with Disabilities Building Assets. Accessed: August 1, 2011. <http://wid.org/employment-and-economic-equity/access-to-assets/equity/equity-e-newsletter-october-2005/apperfect-fit-people-with-disabilities-building-assets>
- **Economic Benefits to the Economy (and Society) at Large:**
 - The potential economic benefits of integrated, competitive employment for people with disabilities are two-fold: First, it would broaden the tax base, and second, it would create an environment where people with disabilities are less reliant on government funded programs such as SSI, SSDI, and Medicaid.

THE TIME IS NOW: EMBRACING EMPLOYMENT *FIRST*



**National Association of
Councils on Developmental Disabilities**

November, 2011

Acknowledgements from the Editor:

NACDD benefited from the contributions of a number of people as this report was produced, including: Nancy Thaler, Bill Kiernan, Debra Dowds, Ed Holen, Dan Shannon, Beth Swedeen, Roger Webb, Kathryn Weit, Wanda Willis, and graduate student intern Christopher Rodriguez who provided the preliminary research and drafting.

Thank you to all who assisted in the production of this report which helps NACDD to make the case for embracing Employment First.

*Michael Brogioli
Executive Director
NACDD*

THE TIME IS NOW: EMBRACING EMPLOYMENT *FIRST*

This report examines **Employment First** as a fundamental lynchpin to advance the well being of people with developmental disabilities, their families and communities. Employment First “reflects a series of policies, practices and procedures based upon a collection of guiding principles.”¹ Employment First, as its name suggests, is a mindset that says that **integrated competitive employment should be the expected outcome for people with developmental and other disabilities**. As such, service delivery systems need to adopt new strategies that successfully lead people with significant disabilities into the workforce.

Councils on Developmental Disabilities seek to change and enhance expectations around employment and to promote progressive changes in the support infrastructure that will enable people with developmental disabilities to pursue employment opportunities and achieve economic independence. Employment First is a service delivery strategy that presumes that all citizens with significant disabilities can and should have opportunities to work in the community. Employment First supports competitive, integrated employment as the preferred outcome and requires that systems have a responsibility to provide services and align their reimbursement practices, policies and guidance to incentivize, encourage and fund services and supports that lead to this outcome.

This report outlines some of the opportunities and challenges of Employment First, and emphasizes the role of Councils on Developmental Disabilities in advancing Employment First in select states. The National Association of Councils on Developmental Disabilities (NACDD) formally endorsed an Employment First position in 2010 as a key component in advancing opportunities for people with developmental disabilities. As such NACDD urges all member Councils, and their allies, to embrace Employment First and make it the policy and practice of every state and territory.

The current economic downturn has led some to suggest that now is not the time to push for integrated, competitive employment for people with developmental disabilities. NACDD respectfully disagrees. While many people with and without disabilities are unemployed or underemployed, and struggle to find jobs, we cannot and should not tolerate the abysmal employment rate of people with developmental disabilities. Indeed, people with developmental disabilities have largely been kept out of the job market, in good economic times as well as bad. That needs to change. The economy and job market will improve. In fact, the changing demographics of the United States forecast a shortage of workers in the coming years. People with developmental disabilities can and should be part of the solution for this coming workforce shortage.

¹ William E. Kiernan, Ph.D., Institute for Community Inclusion, Univ. of Massachusetts, Boston

Background

Historically, people with developmental disabilities have been denied many of the rights and opportunities which most Americans take for granted, such as access to education, community-based housing, and employment at living wages. While much progress has been made on the education and housing fronts, very little progress has been made in employment. In fact, only 14.1 percent of working age adults with intellectual disabilities have jobs in integrated non-facility situations.² Unfortunately, it appears that far too many people, including some employers, service providers, policymakers and the public at large, hold on to the false notion that people with developmental disabilities are not capable of working successfully in integrated employment settings.

However, there is a growing movement to tackle what once seemed intractable: people with developmental and other disabilities are demanding full participation in society, and understand that this must include the opportunity to live *and* work in the community. People with developmental disabilities want and deserve opportunities to advance economically and become more productive members of society. Indeed, the Developmental Disabilities Assistance and Bill of Rights Act states the goals of independence, productivity and integration of people with developmental disabilities. As the DD Act notes, “disability is a natural part of the human experience that does not diminish the right of individuals with developmental disabilities to live independently, to exert control and choice over their own lives, and to fully participate in and contribute to their communities through full integration and inclusion in the economic, political, social cultural, and educational mainstream of the United States society.”

The DD Act underscores the need to address the employment challenge: If people with developmental disabilities are not included and valued within the workforce, they cannot truly achieve the independence, productivity and integration expected by the Act.

Other federal legislation also underscores the need to advance employment for individuals with significant disabilities. The landmark American with Disabilities Act (ADA) states that “no qualified individual with a disability shall, by reason of such disability, be excluded from participation in or be denied the benefits of the services, programs, or activities of a public entity, or be subjected to discrimination by such entity.” The Individuals with Disabilities Education Act (IDEA) recognizes the competencies, capabilities and personal goals of individuals with developmental disabilities.

The U.S. Supreme Court’s landmark 1999 decision in *Olmstead v L.C.*, upheld the inherent right of an individual to be free from unnecessary segregation from the general public. Furthermore, *Olmstead* specifies employment as one of the rights of people with disabilities.

Indeed, progress is being made on several important fronts. Universal design is quickly gaining acceptance as the standard to improve general accessibility; schools are providing

² Kiernan, Institute for Community Inclusion, Univ. of Massachusetts, Boston

“free and appropriate public education” to students with developmental disabilities in integrated classrooms, not separate, segregated settings; barriers to comprehensive healthcare coverage such as life time caps and exemptions for pre-existing conditions are being dismantled; and perhaps most significantly, institutional settings are being closed with tens of thousands of people with developmental disabilities successfully transitioning back to community- living settings.

The disability rights movement has made great strides during the last two decades, but there is much work to be done. In no area has progress lagged as evidently as it has in employment. The old model of segregated work settings, (such as sheltered workshops) where people with developmental disabilities are paid subminimum wages, is not the answer. It is time to embrace a much more ambitious agenda to change attitudes, expectations, and results. People with developmental disabilities should live and work in communities and have the opportunity to advance economically. Employment is a key to this outcome. Councils and their allies can and should be leaders in this “next frontier” towards full inclusion.

The State of Employment for People with Developmental and Other Disabilities

Studies consistently show that working age individuals with disabilities are disproportionately unemployed compared to their non-disabled peers; this disparity is exponentially greater when comparing people with significant, developmental disabilities with persons without disabilities. The statistics are numbing: 88% of working age adults who have a developmental disability are unemployed.³ According to the National Association of State Directors of Developmental Disabilities Services (NASDDDS) “although the actual number of people with developmental disabilities in integrated community jobs has increased slightly over the past several years, the percentage of individuals served in state developmental disabilities systems who are employed in a regular community job has actually fallen during the same time period.” The NASDDDS report suggests that rather than moving full steam towards community-based employment, we have actually regressed and are now more, rather than less, dependent on non-integrated “work” settings.

Segregated day activity programs and sheltered workshop environments may have been considered progressive and innovative at one time, but no longer meet the expectations and desires of people with developmental disabilities and their allies. Yet hundreds of thousands of people with disabilities participate in these programs which are rooted to some degree in the old notion that people with developmental disabilities cannot succeed in the community. Sheltered workshops are testaments to inadequate vocational training that is geared not toward integrated community employment but “busy work” at best. Sheltered workshops also contradict more recent evidenced best practices that indicate that individuals with severe disabilities can best learn new skills in real settings – a “place and train” model of employment. Workshops have the effect of segregating people with disabilities from community settings where they make friends and build relationships with

³ Alliance for Full Participation, “Real Jobs - It's Everyone's Business”. Accessed: July 24, 2011. <http://www.allianceforfullparticipation.org/about-afp-2/campaign-for-real-jobs>

friends without disabilities. And, participants in workshops often perform piecemeal and/or contract work, and too often earn sub-minimum wages.⁴ These settings fail to cultivate the full potential of people with developmental disabilities, and can actually stunt their potential and can lead to negative behavioral issues.⁵

We know that lack of access to community-based employment is a substantial issue among people with developmental disabilities. Self advocates understand that the advances made in education and community living are not fully leveraged or realized when so few people with developmental disabilities actually work in the community. This underscores the urgency of embracing Employment First as a key step to realizing the goal of integrated, competitive employment for people with developmental disabilities as the norm.

Employment First and Self Determination

Employment First begins with an effort to change the expectations people have about the ability of people with developmental disabilities to work—in policy, in practice and in person. Employment First requires examining current expectations, policies and practices and determining, then implementing, actions to create a comprehensive system that reaches the goal for all individuals with developmental disabilities to obtain and sustain integrated competitive employment.

Employment First is a concept and a practice which presupposes that all individuals with developmental disabilities, given adequate supports, can obtain and sustain integrated competitive employment. Employment First aligns with the vital concept of self-determination that underpins the disability rights movement: Self determination means that all people have the right to direct their futures, have control over how they live their lives, where and with whom they spend time and share experiences, and have authority over the resources that provide their important supports. The key principles of self-determination are freedom, authority, support and responsibility. This latter principle, responsibility, is the acceptance of a valued role in a person's community through gainful (competitive) employment, organizational affiliations, spiritual development and general caring for others in the community, as well as accountability for spending public dollars in ways that are life enhancing for persons with disabilities.

Clearly, the principles of self-determination align with Employment First, just as they do not align with sheltered workshops and other forms of segregated employment or activity. Employment First should produce opportunities for individuals with developmental disabilities to obtain jobs that they have chosen and feel comfortable doing (*self-determination*), are situated in locations typical of that kind of work (*community-based*), provide compensation on par with their non disabled counterparts in like positions (*competitive employment*), and are performed alongside co-workers without disabilities

⁴ APSE, "Position on Sub-Minimum Wage". Accessed: August 5, 2001. <http://66.147.244.209/~tashorg/wp-content/uploads/2011/01/APSE-Subminimum-Wage-Statement-Final.pdf>

⁵ National Disability Rights Network, "Segregated and Exploited". Accessed: July 20, 2011. <http://www.ndrn.org/images/Documents/Resources/Publications/Reports/Segregated-and-Exploited.pdf>

(integrated). A policy or initiative which produces an outcome that lack one or more of these pillars should not be considered true Employment First or for that matter a true manifestation of the values of the ADA, the DD Act, IDEA or Olmstead.

The Benefits of Employment

When implemented successfully, Employment First has a broad array of benefits, both social and economic, affecting not only the person seeking employment but their family, their place of business, their community and the economy as a whole. In short, Employment First, when done right, is a “win-win” situation.

Social Benefits to Individuals with Developmental Disabilities and their Families

One of the underlying foundations of the disability rights movement is to insure that people with developmental and other disabilities have the opportunity to live independent meaningful lives alongside their non disabled peers. Without Employment First in policy and practice, this equal opportunity cannot be achieved. Because most people with developmental disabilities have not been provided the adequate supports to obtain and maintain community-based employment, there are few job opportunities available to many of them after leaving school. As one disability policy expert puts it, “What happens after the school bus stops coming?” The lack of effective transition from school to work for people with developmental disabilities results in too many individuals with developmental disabilities being isolated at home after they complete their school-age educations. This isolation can lead to social, physical and cognitive regression.

In addition, meaningful employment offers individuals with developmental disabilities the opportunity to bolster self-esteem, expand their network of natural supports, make friends, and demonstrate their professional abilities in a public setting. These benefits all contribute to the deconstruction of negative stereotypes surrounding the potential of individuals with developmental disabilities, and ultimately increase their quality of life. For most of us, work is where we make friends and broaden our connectedness in our community. Segregated employment does not afford these opportunities to citizens with disabilities.

Since many adults with developmental disabilities live at home with caregivers, typically their parents or other family members⁶, it is important to note the benefits to families. Touching again on the lack of options for individuals with developmental disabilities following their secondary education, many times parents are forced to leave their jobs in order to provide support and/or care for their loved one while they remain at home during the day: 1 out of 5 families recently surveyed reported this reality.⁷ If the person with a disability was employed in a traditional job, the caregiver could likely remain at his/her

⁶ The Arc of the United States, “FINDS Study”. Accessed: July 19, 2011.
<http://www.thearc.org/document.doc?id=3140>

⁷ The Arc of the United States, “FINDS Study”. Accessed: July 19, 2011.
<http://www.thearc.org/document.doc?id=3140>

own job. If the caregiver were not employed, they nevertheless could take advantage of much needed respite, focusing time on other parts of their lives. This is highly significant because 82% of families who fulfill a caregiving role report problems balancing other family and life responsibilities.

Social Benefits to Employers and Communities

From Main Street to Wall Street, it is becoming increasingly apparent that commercial enterprises (public, private and non-profit) are realizing the benefits of constructing a diverse workforce. People with developmental disabilities can be a vital part of a rich, vibrant, diverse workforce. Research acknowledges the benefits of a diverse work environment, which includes a larger pool of ideas, more innovation, and increased tolerance/acceptance.⁸ A recent Gallup poll found a strong correlation between companies' diversity efforts and the satisfaction of their employees. 61% percent of employees who ranked their employer in the upper third of all companies on diversity efforts were extremely satisfied with their companies, versus only 34% of those who ranked their employer in the middle third and 21% of those who ranked their employer in the bottom third.⁹ Employees with developmental disabilities have the potential to contribute to the beneficial diversity of their workplaces. This isn't just a "feel good" concept. The benefits of diversity are real:

- Ideas and Innovation

People with developmental disabilities, due to their life experiences, often see the world from a different perspective than their non disabled counterparts. Innovation, creative thinking and determination are traits people with disabilities developed in part to the many challenges and obstacles experienced in their day to day life. As employees, they add to the range of viewpoints businesses need to succeed, offering fresh ideas on how to solve problems, accomplish tasks and implement strategies.¹⁰

- Increased Tolerance and Acceptance

Due to a historical lack of exposure, especially in the work place, non disabled individuals may have a certain level of apprehension around people with developmental disabilities. This apprehension is not necessarily bred by innate intolerance or lack of acceptance, but more likely a byproduct of unfamiliarity with people with disabilities in the work place. Having an individual with a developmental disability as part of the workforce allows other employees the opportunity to broaden their scope of experiences and open their minds to

⁸ Bright Hub, "Fostering Diversity by Recognizing All the Benefits". Accessed: July 28, 2011. <http://www.brighthub.com/office/human-resources/articles/90910.aspx>

⁹ Harvard Business School, "A Framework for Pursuing Diversity in the Workplace". Accessed: August 8, 2011. <http://www.acc.com/chapters/sandiego/upload/HBS%20-%20Pursuing%20Diversity.pdf>

¹⁰ Office of Disability Employment Policy, "Diverse Perspectives: People with Disabilities Fulfilling Your Business Goals". Accessed: August 3, 2011. <http://www.dol.gov/odep/pubs/fact/diverse.htm>

differences. This experience can yield a more thoughtful and open minded group of workers, valued characteristics in any business environment.

Economic Benefits to Individuals with Developmental Disabilities and Families

In addition to the various social benefits of Employment First there also exists a wide array of economic benefits. When individuals with developmental disabilities are provided the appropriate supports to earn competitive wages alongside their non disabled peers, they are given the opportunity to build wealth and assets which lead to a higher quality of life and a greater degree of independence. This is highly significant due to the fact that, despite making up the country's largest minority population, the poverty rates of people with disabilities are much higher than that of the general population. One survey found that 34% of people with disabilities live on a household income of less than \$15,000 per year, compared to 12% of people without disabilities. Another survey found that, among the population aged 25 to 64 with a severe disability, 28% have incomes below the poverty level compared to 8.3% for persons in the same age group without a disability.¹¹

The implications of poverty are that many people with disabilities are not able to meet their basic needs, including housing, proper nutrition, and healthcare. This leads to people with developmental disabilities being dependent on government funded programs.

A recent survey of nearly 5,000 caregivers, reported that 80% of families surveyed said that they do not have enough money to pay for the support or care of their relative with a disability.¹²

Competitive integrated employment under the umbrella of Employment First should yield systemic change for people with developmental disabilities by helping them improve their economic status.

Economic Benefits to the Economy (and Society) at Large

In light of the country's current economic and fiscal crises, it is especially important when promoting Employment First to understand the potential state and national economic benefits of putting people with developmental and other disabilities into the mainstream workforce. The potential economic benefits of integrated, competitive employment for people with disabilities are two-fold: First, it would broaden the tax base, and second, it would create an environment where people with disabilities are less reliant on government funded programs such as SSI, SSDI, and Medicaid.

¹¹ World Institute on Disability, A Perfect Fit: People with Disabilities Building Assets. Accessed: August 1, 2011. <http://wid.org/employment-and-economic-equity/access-to-assets/equity/equity-e-newsletter-october-2005/a-perfect-fit-people-with-disabilities-building-assets>

¹² The Arc of the United States, "FINDS Study". Accessed: July 19, 2011. <http://www.thearc.org/document.doc?id=3140>

In order to grasp the potential benefits of a broadened tax base, it is important to remember that people with all disabilities make up a significant percentage of the U.S. population: just under 20% or 54 million people.¹³ Within this large number, many are unemployed, underemployed or simply not even considered part of the workforce. However, a large majority of people with disabilities (two-thirds) report a desire to work¹⁴. Given these statistics, and in light of the fundamental and correct assumption of Employment First that virtually all people, regardless of their disability, can obtain and maintain competitive integrated employment when provided the proper supports, we find a largely untapped workforce and potent economic stimulus.

In addition to supplementing the tax base with the salaries and wages of people with disabilities, we can also assume that caregivers who have reported being forced to stay home and care for their family member with a disability, will be able to be more productive in their own employment. Moreover, as both these constituencies are able to build additional wealth they will very likely become more robust consumers in the market place, thus contributing additional resources back into the economy.

In addition to increasing the state and national tax base, community based employment increases the potential for people with disabilities to become less reliant on government funded programs. Therefore, Employment First could provide some relief for local, state and federal governments. For example, employment could lessen the need for SSI benefits, heavy dependence on Medicaid and SSDI.

One State's Employment First Initiative

The California State Legislature passed Assembly Bill 287 (A.B. 287) with the purpose of laying the ground work to eventually increase the number of individuals with developmental disabilities who engage in integrated and gainful employment. A.B. 287 required the State Council on Developmental Disabilities to form a standing Employment First Committee and implement an Employment First Policy by July 1, 2011. Additionally the legislation requires an annual report to the Legislature and the Governor describing the committee's work and recommendations. The report, was published in August 2011, and includes the Employment First Policy and steps to achieve a significant increase in the number of individuals with developmental disabilities who engage in integrated employment, self-employment, and microenterprises, and in the number of individuals who earn wages at or above minimum wage. The California Department of Developmental Services (DDS) is involved with these efforts and represents individuals with developmental disabilities at the table.

In addition to A.B. 287, the California budget crisis that has caused rate reductions and funding freezes across virtually all state agencies and programs has permitted some

¹³ US Census Bureau, "Fact and Features: Special Edition". Accessed: July 20, 2011.

http://www.census.gov/newsroom/releases/archives/facts_for_features_special_editions/cb10-ff13.html

¹⁴ National Center on Workforce and Disability, "The worker in N.E.'s future" by James T. Brett and William E. Kiernan. Accessed: August 2, 2011. <http://www.onestops.info/website.php?page=globeoped>

flexibility for state agencies to make prudent investments in certain program areas. Through the implementation of a rate increase to supported employment in the last few years and a wage enhancement for day programs that are at least 50% community-based, the state has experienced a slight increase for supported employment funds and a decrease in funding for sheltered work programs.

Challenges and Solutions: Lessons from California

Employment First provides a policy framework to help individuals with disabilities gain integrated employment. It seeks to remove barriers and disincentives to employment. These barriers may include transportation and flexible options for on the job support. Disincentives include the fear of losing benefits and supports upon becoming employed, and not being able to regain necessary benefits if becoming unemployed.

Making Employment First the policy and/or practice of states and territories is a major step towards realizing the goal of competitive integrated employment outcomes for most people with developmental (and other) disabilities. We also know that ultimately the challenge is effective implementation of this progressive policy in a holistic and integrated way.

The following Employment First issues and recommendations are based largely on those that were developed and put forth by California's State Council on Developmental Disabilities in August, 2011. These recommendations serve as a model for the entire nation, and NACDD is grateful to our California member Council for its leadership and for sharing them with us:

The Need for Interagency Collaboration and Coordination

Issue: Interagency coordination assists youth and adults with developmental disabilities who have needs across multiple agencies to gain access to services and supports for integrated employment. However (in California, and most states) there is no overall framework for state or local agency collaboration and coordination. As a result, individuals with developmental disabilities do not have the necessary linkages, services and supports they need.

Goal: Evaluate and reform existing state laws, regulations guidelines and operational procedures to institute systemic changes that increase agency collaboration and coordination toward the employment of individuals with developmental disabilities. These recommendations should increase interagency cooperation to develop an infrastructure to support and further employment as a priority outcome.

- Review current laws and regulation to determine if they can be strengthened to ensure adequate collaboration among various and relevant state agencies and departments, school districts, service providers and employers to promote, develop and support work experience, training and on-the-job training for students with developmental disabilities.

- Maximize system efficiency through interagency collaboration and coordination between state department of education, developmental disabilities services, employment and community colleges to focus on the transition of youth and working age adults with developmental disabilities into integrated competitive employment. Strengthen regulations and processes that encourage the blending and braiding of funds between relevant state agencies and departments.
- Identify and disseminate promising practices and partnerships where community colleges are providing inclusive education, job preparation and places services that lead to integrated competitive employment.
- Coordinate the viability and usage of assistive technology across systems for individuals with developmental disabilities.
- Develop and implement evaluation strategies to determine effectiveness of models for interagency collaboration and coordination.
- Review and analyze existing employment data and develop and implement a system to establish benchmarks and measurable outcomes for the number of individuals with developmental disabilities that are competitively employed in integrated setting including self-employment and microenterprise.

Making Transition *Work*

Issue: A high proportion of students with developmental disabilities leave high school without being employed in integrated competitive employment or attending postsecondary education. While federal and state laws require school districts to provide transition planning and services, many stakeholders reported transition to be an especially problematic area. There is a significant need to adequately prepare students and their families to understand the range of available possibilities and facilitate transition to integrated gainful employment.

Goal: To ensure that students with developmental disabilities are adequately prepared for integrated competitive employment.

- Ensure that transition planning and services for students begins early in secondary school and such services should be included in individualized education plans (IEP), individualized transition plans (ITP) and individuals plans for employment (IPE).
- Ensure that all relevant agencies and partners participate in the transition planning process.
- Students must have opportunities to explore all postsecondary options, including collage and other post-school training for employment.
- Provide students with opportunities for career exploration and preparation through peer mentoring work-based learning, internships, volunteer opportunities, and paid employment.

Getting Work

Issue: The majority of working age individuals with developmental disabilities are not in the labor force.

Goal: All working age youth and adults with developmental disabilities will have the choice and opportunity to work in jobs that are integrated within the general workforce and work side-by-side with co-workers with and without disabilities, earning benefits and competitive wages, or to engage in self-employment or microenterprises.

- Employment related training, services and supports should target areas of present and future workforce growth with direct input from employers.
- Increase opportunities for individuals with developmental disabilities to pursue self-employment and the development of micro-enterprises or small businesses.
- Ensure supports are provided as needed and that generic resources including natural supports with the family, community and work setting are included as much as possible.
- Showcase parts of the system that are demonstrating success with implementing and Employment First agenda through planning, service provision, job preparation and placement, removal of systems barriers and provision of supports.
- Provide training and technical assistance to develop knowledge and skills for providers, job developers, job coaches, and agencies and employers to use best, promising, and emerging practices to provide employment related services and supports

Fear of Losing Benefits

Issue: Some mechanisms exist for individuals with developmental disabilities to maintain public benefits while working. However, individuals with developmental disabilities, their families, and service providers are often not fully aware of those mechanisms. This lack of knowledge sometimes serves as a disincentive to work.

Goal: Individuals with developmental disabilities, their families, and services providers will have access to resources that fully inform them of ways to maintain benefits while working if needed. Any disincentives to working caused by the actual or perceived risk of losing benefits will be reduced.

- Individuals with developmental disabilities understand the impact of work on their benefits.
- This includes overcoming the barrier of a lack of outreach to individuals with developmental disabilities about work and benefits. Therefore, information must be provided in plain language to working age individuals with developmental disabilities including those in transition from school to adult life.
- Make public benefits more flexible to support working individuals with developmental disabilities.

- Ensure that all agencies involved in assisting individuals with developmental disabilities obtain and maintain integrated competitive employment, including self-employment and microenterprise, provide accurate advice and resources concerning the interplay between public benefits and work.
- Evaluate and reform existing state laws, regulations, guidelines, operation procedures and finding practices to institute systemic changes that eliminate any disincentives caused by the risk of losing benefits when working if needed.

Strengthened and Coordinated Supports

Issue: There are supports available to individuals with developmental disabilities to obtain and maintain employment. However, the various agencies responsible for serving individuals with developmental disabilities in their employment goals do not do so in collaboration with each other which results in supports that are frequently inadequate to meet the needs of individuals with developmental disabilities. Additionally, employers lack advice and information on the benefits of employing individuals with developmental disabilities and how to provide accommodations and supports.

Goal: Provide adequate supports to individuals with developmental disabilities in obtaining and maintaining integrated competitive employment, including self-employment and microenterprise.

- Provide regional center service coordinators with employment training from experts to instruct them on the available supports to individuals with developmental disabilities in obtaining and maintaining employment.
- Provide a dedicated employment specialist at each regional center, to enhance the level of information about employment and related issues available to individuals with developmental disabilities, families, service coordinators, and employers.
- Provide training for employers on how to appropriately accommodate individuals with developmental disabilities.

Some Key Initiatives to Advance Employment

The goals of Employment First can also be achieved beyond the legislative policymaking arena through programs or practices established by agencies, organizations or private industries which aim to implement the Employment First concept, resulting in successful outcomes measured by the characteristics described in the definition.

The State Employment Leadership Network (SELN)¹⁵

The SELN is a membership-based network of state developmental disability agencies committed to making changes in their service systems to improve employment outcomes among individuals receiving support. As a community of practice, states connect,

¹⁵ State Employment Leadership Network, "Accomplishments Report Membership Year 2009-2010". Accessed: July 26, 2011. http://www.seln.org/images/stories/site_documents/accomplishments_2010_F.pdf

collaborate, and share information and lessons learned across state lines and system boundaries. Participating state agency officials build cross-community support for pressing employment-related issues and policies at state and federal levels. States commit to work together and engage in a series of activities to analyze key elements in their systems to improve the integrated employment outcomes for their citizens with developmental disabilities.

The SELN was launched in 2006 as a joint initiative of the National Association of State Directors of Developmental Disabilities Services (NASDDDS) and the Institute for Community Inclusion (ICI) at the University of Massachusetts Boston.

The SELN helps states develop, implement, and support integrated employment initiatives that are designed to improve employment outcomes for people with developmental disabilities.

DD Council Initiatives

Councils on Developmental Disabilities play an important role in forming the foundation for how individuals with developmental disabilities can become and remain employed. There are many examples of DD Councils advancing employment. Here are a select few:

Project Search

The Florida Developmental Disability Council has supported the growth of Project SEARCH, a partnership of local businesses, schools, and community services that provides high school students with disabilities training and education leading to integrated employment. Students with disabilities are immersed in learning job skills and participating in multiple work experiences at a community business with the goal of competitive employment at the business utilizing the skills learned. There are now eighteen Project SEARCH sites in Florida that have served over 400 individuals. As of July 2010, Project SEARCH sites in Florida had achieved a 57% employment rate. This is far above the recognized national rate of 36% employment for individuals with disabilities.

In addition, through the Supported Competitive Integrated Employment Initiative, the Council has established community action teams of businesses, schools, parents, individuals with developmental disabilities, and community agencies that have and will continue to work collaboratively to expand employment opportunities for individuals with developmental disabilities. These teams have developed internship opportunities to provide work experiences, developed employment opportunities in the community, identified barriers to employment and solutions to these barriers, and, most importantly, developed knowledge and bridges among these critical resources and services for more effective employment outcomes. There are 8 teams across the state, which have secured employment for 26 individuals thus far.

*Partners in Employment*¹⁶

“Partners in Employment” is a self-study online course, created by the Minnesota Governor's Council on Developmental Disabilities, designed to help people with developmental disabilities find meaningful jobs and jumpstart their careers. The course has been created to give individuals with developmental disabilities the practical skills needed to find real, competitive employment in their communities. Throughout the site, individuals will learn how other people with disabilities have overcome common obstacles to find jobs and succeed in the workplace. Upon completion of the course, the individuals seeking employment should:

- Understand the hiring process and how it might differ for people with developmental disabilities;
- Understand supported and competitive employment;
- Identify a "circle of friends" who can help them achieve their goals;
- Know their strengths, skills and interests and how they might translate into a career;
- Understand how technology skills can help people with disabilities find meaningful employment;
- Understand natural supports and how they might help them succeed;
- Create a resume or portfolio that presents their abilities in the best light;
- Know how to network and identify potential employers;
- Be prepared for a successful job interview;
- Know how to evaluate a job offer to make sure it fits their skills and interests

“Partners in Employment” is an extension of “Partners in Policy Making”, a leadership training program for adults with developmental disabilities and the parents of young children with developmental disabilities throughout the world. All projects incorporate the advancement of independence, productivity, self-determination, and integration/inclusion.

¹⁶ Minnesota Governor's Council on Developmental Disabilities, “Partners in Employment”. Accessed: August 1, 2011. <http://www.partnersinpolycymaking.com/employment/>

*Nevada Regional Employment Summits*¹⁷

The Nevada Division of Mental Health and Developmental Services in collaboration with the state Developmental Disabilities Council and other groups supported three regional Employment Summits held in Reno, Las Vegas and Elko. The meetings took place in May and June 2010 and brought stakeholders from across the state to the table, many for the first time, to make a commitment to community employment as a priority for Nevadans with intellectual disabilities. The most significant outcome of the summit was the involvement of stakeholders in the development of the state's action plan to improve individual integrated employment outcomes and the resulting improvement of interagency collaboration and communication. These summits, and gatherings like them, provide an environment to establish leadership in the "Employment First" movement, build collaboration with relevant stakeholders, and bolster the development of strategic goals and operating policies.

Federal Support for Employment First

While changes in policy and practice will happen at the state level, there remains an important role and opportunity for federal leadership to advance Employment First and address the challenges and opportunities associated with it.

The bulk of federal dollars to support benefits and services to people with developmental disabilities comes through the Centers for Medicaid and Medicare Services (CMS.) CMS' Home and Community Based Services Waiver rules provide a possible vehicle for creating incentives for the use of state waiver dollars for supported employment and disincentives for the use of waiver dollars for segregated sheltered employment. Options for such incentives and disincentives should be explored.

For example, there are potential avenues towards maintaining eligibility for essential benefits while still holding meaningful employment. Following is a brief snapshot of some federal legislative initiatives and programs that seek to address these issues:

*Achieving a Better Life Experience Act (ABLE Act)*¹⁸

With bipartisan support, the Achieving a Better Life Experience Act was introduced in the U.S. Senate and House of Representatives in 2009 to allow individuals with disabilities and families to create tax advantaged savings accounts to meet their long-term ongoing support needs related to education, health care, employment, transportation and housing.

S.493 and H.R.1205, if passed, would allow an account to be established by or on behalf of an individual with a disability. The income earned on amounts contributed to an ABLE Account is tax exempt. The assets held in an ABLE Account would not be counted for

¹⁷ State Employment Leadership Network, "Accomplishments Report Membership Year 2009-2010". Accessed: July 26, 2011. http://www.seln.org/images/stories/site_documents/accomplishments_2010_F.pdf

¹⁸ National Disability Institute, "Real Economic Impact Tour: ABLE Act". Accessed: August 7, 2011. <http://www.reitour.org/Public-Policy/ABLE-Act.aspx>

purposes of determining an individual's eligibility to qualify for Social Security, Medicaid or other public benefits.

Transitioning towards Excellence in Achievement and Mobility (TEAM) Act¹⁹

In order to better promote the advancement of Americans with significant disabilities transitioning from youth to adulthood, a trio of bills called the Transitioning towards Excellence in Achievement and Mobility (TEAM) legislation was introduced in the U.S. House of Representatives on February 10, 2011. Each of the three bills, the TEAM-Education Act (H.R. 602), TEAM-Empowerment Act (H.R. 603), and TEAM-Employment Act (H.R. 604), would strengthen accountability, clarify expectations, expand flexibility and align systems to ensure that publically-funded assistance is effectively utilized to support one uniform goal -- ensuring that every youth with a significant disability has the opportunity, encouragement and support to become gainfully employed in an integrated setting, pursue a post-secondary education, and contribute to and engage in meaningful ways in typical community settings once they leave high school.

Ticket to Work Program²⁰

The Ticket to Work Program can be a valuable asset to unlocking vocational rehabilitation, training, job referrals, and other ongoing support and services to help people with disabilities reach their employment goals. The program is available for people who are between the ages of 18 and 65 and receive Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) benefits because they are disabled or blind. Participants will not automatically lose their disability benefits, but will most likely go through a "trial work period" for a predetermined amount of time. During this time the person with a disability will be able to maintain their disability benefits while working and earning competitive wages.

Medicaid Buy-In Program²¹

Working-age adults with disabilities need adequate health insurance to enter or remain in the work force, but their options for insurance coverage are limited. Many who have full-time jobs may not be covered through their employer-sponsored health insurance because of a pre-existing condition. Those who work part-time or have jobs that do not offer health coverage may have to turn to government-sponsored programs, such as Medicaid. However, a person with a disability who earns more than the allowable amount will be ineligible for Medicaid coverage. That's where the Medicaid Buy-In program comes in.

¹⁹ TASH, CPSD Action Alert: Ensure High Expectations and Opportunities for Youth with Significant Disabilities. Accessed: July 22, 2011. <http://tash.org/advocacy-alert-support-transition-of-youth-with-disabilities/>

²⁰ Social Security Online, "Ticket to Work Program". Accessed: August 7, 2011. <http://www.socialsecurity.gov/work/receivingbenefits.html#check>

²¹ Mathematica Policy Research, "Extending Medicaid to Workers with Disabilities". Accessed: August 7, 2011. <http://www.mathematica-mpr.com/disability/medicaidbuy-in.asp>

The Medicaid Buy-In program allows adults with disabilities to maintain Medicaid coverage. Participants “buy into” the Medicaid program, typically by paying premiums based on income. As of December 31, 2008, 42 states were operating a Medicaid Buy-In program to extend Medicaid coverage to working people with disabilities, with total nationwide enrollment of more than 90,000.

Conclusion

There is growing consensus that taking on and solving the employment crisis among people with developmental disabilities is paramount. While there remains some disagreement among disability advocates about the role of segregated employment and sheltered workshops, and the use of subminimum wages, there is consensus that people with developmental and other disabilities ought to have much greater opportunity to participate in the labor force, in integrated, competitive employment settings. Employment First is an essential component to make this happen, and it should become the norm across the country.

Councils on Developmental Disabilities have played and continue to play a key role in advancing employment in general, and Employment First in particular. NACDD urges the growth of the Employment First movement in all states and territories, and is confident that Councils, and their allies, will be at the forefront of efforts to make sure that integrated competitive employment for people with developmental disabilities does indeed become the norm rather than the exception across the nation.

Appendix: Select Council Efforts to Advance Employment First

Kansas' state legislature passed "Employment First" legislation (House Bill 2669) in 2011 which stipulates that "competitive and integrated employment of persons with disabilities in the communities in Kansas shall be the first priority in the state and that public and private employers shall participate in the effort." The Kansas Council on Developmental Disabilities played a key role in advancing this legislation, which authorizes all state agencies to adopt rules and regulations to support "Employment First," and establishes an oversight commission to ensure implementation.

Massachusetts' Employment First policy establishes that integrated, individual employment is the optimal outcome for those served by the MA Department of Developmental Services. The policy requires a consistent message across the system regarding integrated employment as a goal for all, consistent actions that reinforce this message, and an infrastructure that supports these efforts. The focus is on person-centered career planning, with placements that emphasize not only job opportunities that are a good match for an individual's work skills and abilities, but also environments that are a good fit for an individual's personality, social needs, and work culture preference. Increased employment of people with DD will also lead to greater opportunities for full integration and inclusion into the community.

The Massachusetts DD Council convened self advocates and other statewide advocacy groups to develop a set of 'must haves' for the state's employment first policy, and worked to insure meaningful participation for self-advocates in the development and implementation phases. The Council also partnered with the state DD agency to conduct employment education for individuals with developmental disabilities. The Council is currently working with policymakers on a number of legislative and policy fronts to establish employment first as the priority outcome for all people with developmental disabilities.

Oregon was once a national leader in the movement from segregated to integrated employment for individuals with ID/DD. In the 1980's and 90's Oregon pioneered job training and job support models that were adopted by many states. After a decade of grant funded systems change projects, 50% of Oregonians with ID/DD who had designated funding were reported to be working in integrated jobs.

About that time, pressure from the US Department of Justice and advocates was building to close Oregon's largest institution and address the long waitlist for services. As a result, the focus of state leadership, service providers and advocates shifted and the state agenda for employment lost momentum. Between 1990 and 2010 Oregon's ID/DD community and the Council worked collaboratively to close all institutions, expand our system of community services, and create a new waived system of regional brokerages offering Self-Directed Supports and individual budgets for those on wait lists for services.

As the rollout of Self Directed Supports gained momentum, so did the push to refocus on employment. With leadership from the Council, advocates organized in 2005 to form the DD Employment Task Force and recruited allies from state agencies, provider agencies, and brokerages to join them. With support from the task force, the Office of DD Services (ODDS) joined the State Employment Leadership Network (SELN) in 2006. The Council, along with the DD Employment Task Force, advocated for a state employment first policy and took the lead in drafting principles to be included in a state policy. The Office of DD Services accepted those foundational principles, and with technical assistance from other states through SELN, drafted and adopted the Employment First Policy in 2008. In 2010, with resources and leadership from OVRs, ODDS, and the Council, Oregon launched a technical assistance project, the Employment First Initiative, to begin putting the policy into practice.

The Council continues to participate in a leadership role with the DD Employment Task Force and was recently instrumental in the creation of a MOU between DD, OVRs, and the Oregon Department of Education to address barriers to employment. The group is scheduled to convene in early fall, 2011, and begin issuing joint directives to the field clarifying expected collaborations and practice in preparing and supporting the employment of youth and young adults with ID/DD.

After **Washington** State adopted its working age Employment First policy, the Washington DD Council convened a workgroup to examine it and make recommendations. The Washington DD Council has convened stakeholders on key questions, including (1) how does the state support those who work very few hours per day/week yet want something, in addition to a little employment, else to do to round out their lives; (2) does the state continue to pay for a job developer/job coach even when there is little likelihood of a person getting a job and (3) should not schools actually assist students in getting a job (or a post secondary school option) so the student leaves school with a job. The Council advocated for, and the Legislature funded, a “Jobs at 21” project that worked with some school districts in WA to get students jobs before they left school. This project met with some local success, but if not yet state wide.

The Washington DD Council’s *Building Assets - Self Employment Initiative*, which began in 2008, recognizes that individuals with intellectual and/or developmental disabilities and their families should have opportunities to save money to maintain or improve their basic economic and social status including employment, housing, and retirement.

The Self Employment Initiative trains and supports individuals with I/DD in becoming self employed. Activities under the Project include establishing collaborative community partnerships, providing resources to initiate self employment, conducting training for the individual entrepreneur and their direct support professionals.

Partners for this project include AmeriCorps, Central Washington University, Division of Vocational Rehabilitation, Service Corps of Retired Executives, University of Washington

Community Education Services, Yakima Legends Casino, and Yakima Valley Transition Council.

Through the Initiative, 40 people became self employed, \$333,312 was leveraged for employment supports, and 482 individuals with I/DD were exposed to entrepreneurial concepts and trained in self employment. The Initiative established practices for assisting people become self employed and demonstrated the value of self employment as a viable employment option for people with I/DD.

While **Wisconsin** does not have an Employment First policy or legislation in place, the state's Department of Health Services has fully embraced many of the principles of Employment First. Wisconsin's DD Council, the Wisconsin Board for People with Developmental Disabilities (BPDD) is working with the department to embed these philosophies and practices into the state's long-term care system.

The **Wisconsin** BPDD has made Employment First initiatives a major centerpiece of its upcoming five-year plan, with a goal of doubling the number of people with I/DD in integrated, competitive-wage employment. Among BPDD's efforts and initiatives are:

- Development of a WI Employment First State Team (i.e., that incorporates all key employment partners—e.g., DPI, DHS, DVR, APSE, self-advocates) , as part of the National Alliance for Full Participation, that is focused on implementing Employment First principles and practices, and increasing the number of people with disabilities participating in integrated employment. Activities will include conducting research into the strategies/practices of states that have been successful in implementing Employment First legislation.
- Development of a proposal to the Department of Health Services to pilot a long-term care model for youth in transition that would eliminate waiting list for supports in the long-term system for youth who exit school with competitive-wage, integrated employment. (Wisconsin currently has a freeze on long-term care supports).
- Coordination of a Statewide "Take Your Legislator to Work" campaign during October's Disability Employment Month to educate policymakers on the value and importance of competitive-wage, integrated employment for people with disabilities, as well as the benefits to employers of hiring people with disabilities. The goal is to connect every state legislator, who are often familiar with sheltered facilities, with an individual who is working for real wages in an integrated community setting.
- Implementation of a grass roots educational/informational campaign around Employment First principles and practices that will include hosting 4-5 regional sessions with consumers, families and providers
- Grants to local communities to implement innovative demonstration employment practices that incorporated self-directed supports, person-centered planning, and customized employment practices across the state.

- Lead and support statewide integrated employment trainings and incorporate Employment First principles and examples of success in BPDD's statewide Self Determination conference, which attracts more than 350 people with developmental disabilities, family members, and providers each year.
- Implement an ADD Project of National Significance on youth employment that brings together more than 60 state agency leaders, employers, state legislators, service providers, schools, and families to find and implement promising employment policies while removing policy barriers.



1825 K Street, NW, Suite 600
Washington, DC 20006
202.506.5813
www.nacdd.org

Alaska “Employment First” Overview

Definitions

- **Employment First:** employment in the general workforce as the first and preferred outcome in the provision of publicly funded services for all working age citizens with disabilities, regardless of level of disability.
- **Employment:** working in an integrated job setting, where people with disabilities work alongside other employees who do not have disabilities and where they have the same opportunity to participate in all activities in which other employees participate. Employment also denotes working for at least minimum wage or being self-employed.

What Employment First and Employment Are Not

- *Employment First* does **NOT** mean “employment only.” *Employment First* does **NOT** mean “forced employment.”
- *Employment First* does **NOT** limit individual choices but rather increases personal choices, expands opportunities and enhances self-determination through greater access to the workforce, jobs, earned income and community.
- *Employment* is **NOT** a program, employment **IS** an outcome. *Employment* is the result of effective supports and services offered naturally on the job and complemented by external supports and services including those publicly funded.

Desired Outcomes

- Measurable increases in employment of Alaskans with disabilities, particularly those with significant disabilities, within the general workforce earning minimum wage or higher with benefits.
- Employers universally value individuals with disabilities as an integral part of their workforce, and include people with disabilities within general recruitment and hiring efforts as standard practice.
- Greater opportunities exist for citizens with disabilities to pursue self-employment and the development of microenterprises.
- Measurable decreases in expenditures on non-work programs for Alaskans with disabilities of working age.
- A decision not to consider employment in the community for an individual is re-evaluated on a regular basis; the reasons and rationale for this decision are fully documented and addressed in service provision.

Employment First Principles:

- The current low participation rate of citizens with disabilities in the workforce is unacceptable.
- Access to “real jobs with real wages” is essential if citizens with disabilities are to avoid lives of poverty, dependence, and isolation.
- It is presumed that all working age adults and youths with disabilities can work in jobs fully integrated within the general workforce, working side-by-side with co-workers without disabilities, earning minimum wage or higher.
- As with all other individuals, employees with disabilities require assistance and support to ensure job success and should have access to those supports necessary to succeed in the workplace.
- All citizens, regardless of disability, have the right to pursue the full range of available employment opportunities, and to earn a living wage in a job of their choosing, based on their talents, skills, and interests.
- Implementation of Employment First principles must be based on clear public policies and practices that ensure employment of citizens with disabilities within the general workforce is the priority for public funding and service delivery.

* “Employment First” principles and definitions listed in this paper are derived from the Association of People Supporting Employment First (APSE), a national organization with an exclusive focus on integrated employment and career advancement opportunities for individuals with disabilities. For a comprehensive look at the employment first concept, existing legislation and data from other projects across the nation, visit their website at:

<http://www.apse.org/>

“The cost-trends of supported employment versus sheltered employment” - By Robert Evert Cimera

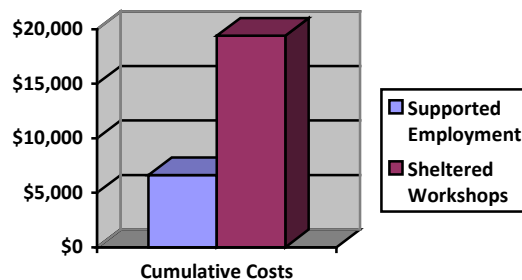
A Synopsis:

Historically:

- Throughout the vocational rehabilitation literature, many authors have claimed that supported employment is a better investment for taxpayers than sheltered workshops (cf. [3,4,11,12,16–20,22 of Reference List]). These assertions are corroborated by wealth of data from over twenty cost-effectiveness and cost-efficiency studies completed since the early 1980s [5,7,13 of Reference List]. In general, these studies have found that over time supported employment generates fewer costs than do sheltered workshops.

This Report:

- Data indicate that the cumulative costs generated by supported employees are much lower than the cumulative costs generated by sheltered employees (\$6,618 versus \$19,388). **To put this in perspective, for every one sheltered employee placed in workshops, nearly three supported employees could have been funded within the community.** This finding substantiates the results made by numerous other authors who have suggested that supported employment is a better investment for taxpayers over time than sheltered



workshops (cf. [5,7,13]).

- Further the cost-trend of supported employees was downward while the cost-trend of sheltered employees was slightly upward, indicating that the costs of supported employment decline over time while those of sheltered workshops increase.
- Ultimately, this report points to a strong financial viability of supported employment programs for people with disabilities.

Thoughts Beyond this Report:

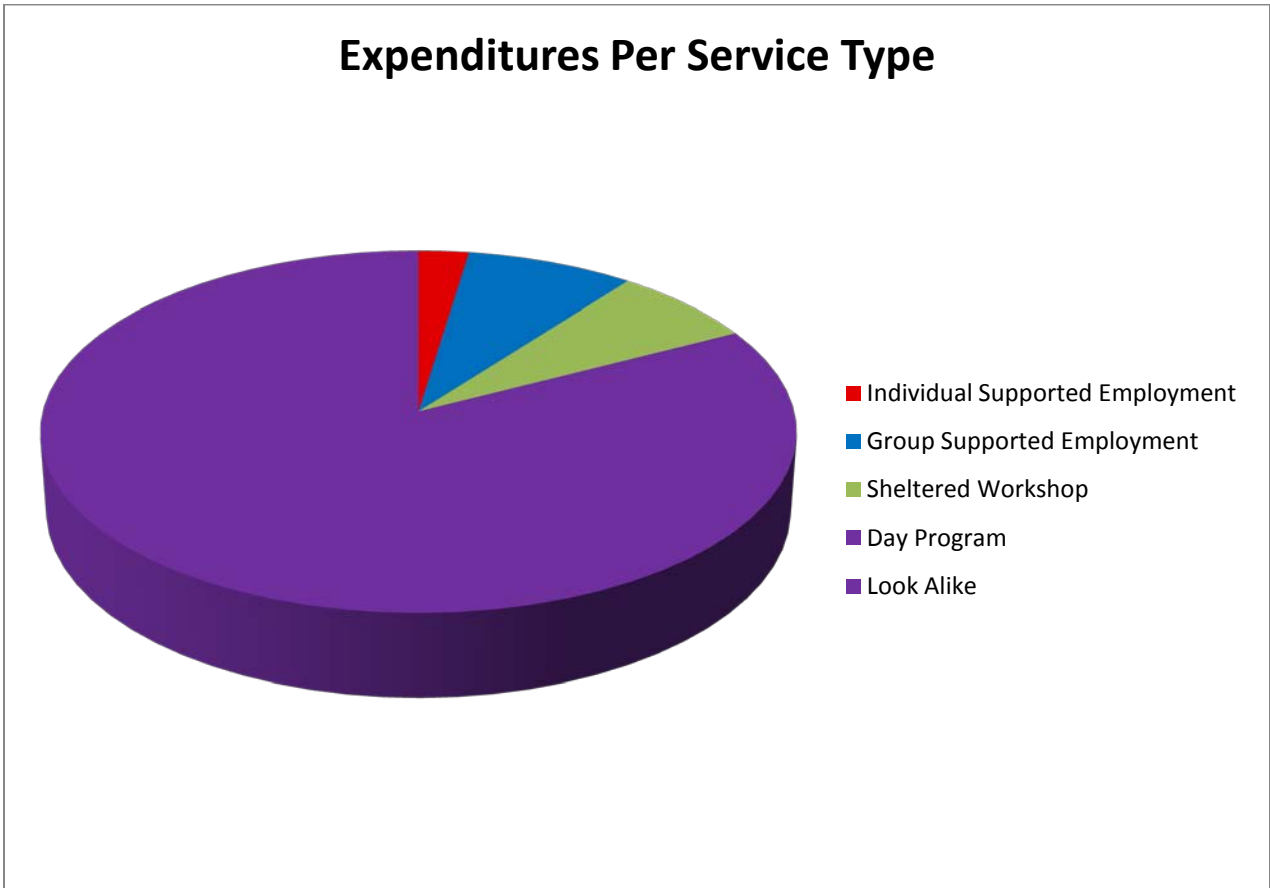
- California has already shown significant cost savings of individual supported employment services versus other day program services. See attached chart entitled, “Focus of California Developmental Services System: Day Services 2010-2011” which is featured on the next page.
- Also, see a chart comparing the costs for Alaska day services.



Focus of California Developmental Serves System

DAY SERVICES

2010-2011

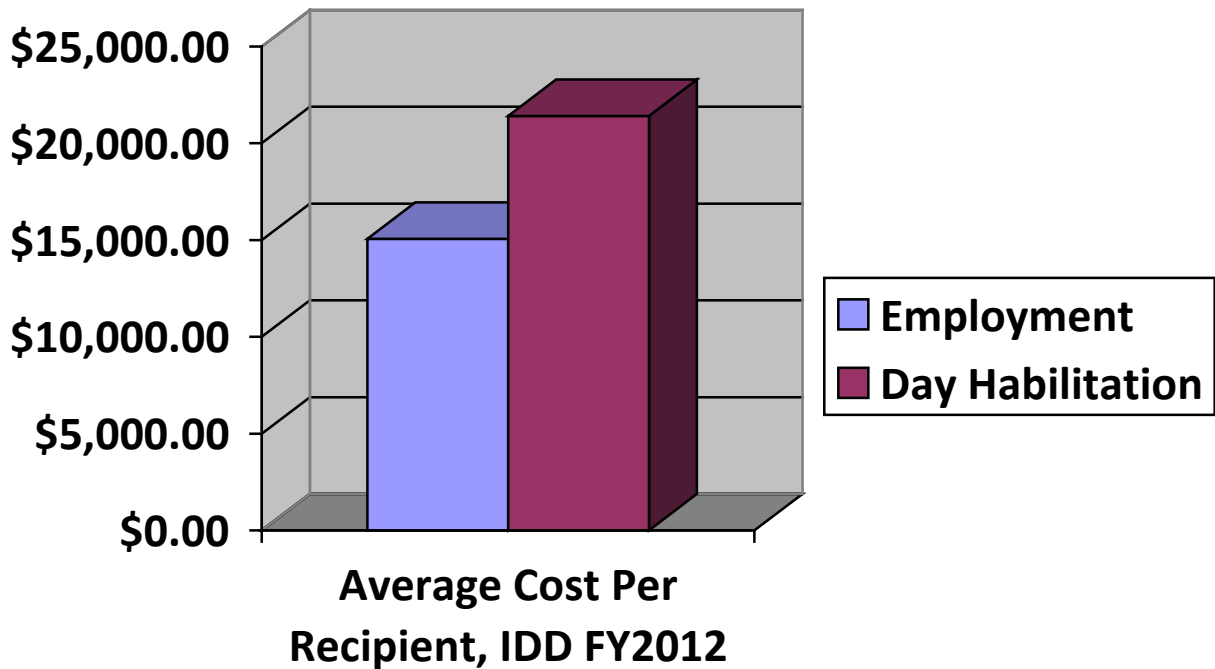


Service Type	Individuals Served*	Expenditure Per Person*	Expenditure Per Service Type
Individual Supported Employment	4,682	\$4,119	\$19,285,158
Group Supported Employment	5,931	\$10,843	\$64,309,833
Sheltered Workshop	10,608	\$5,302	\$56,243,616
Day Program	43,648	\$11,725	\$511,772,800
Look Alike	10,581	\$14,385	\$152,207,685

Source: 2010-2011 Annual Report, Employment and Day Programs, Department of Developmental Services, July 2013.

State of Alaska Day Services Comparison:

	IDD FY 2012		
Service Type	# of Recipients	Total Cost	Average Cost Per Recipient
Day Habilitation	1,391	\$29,779,083.12	\$21,408.40
Employment	393	\$5,917,562.44	\$15,057.41



Source: State of Alaska Division of Senior and Disability Services, December 2013.

The cost-trends of supported employment versus sheltered employment

Robert Evert Cimera

Kent State University, Educational Foundations and Special Services, 405 White Hall, Kent, OH 44242, USA
Tel.: +1 330 672 5796; Fax: +1 330 672 2512; E-mail: rcimera@kent.edu

Abstract. This study investigated the cost-trends of supported and sheltered employees with mental retardation as they completed one “employment cycle” (i.e., from the point they entered their programs to the point when they changed their jobs, left their program, or otherwise stopped receiving services). Data indicate that the cumulative costs generated by supported employees are much lower than the cumulative costs generated by sheltered employees (\$6,618 versus \$19,388). Further the cost-trend of supported employees was downward while the cost-trend of sheltered employees was slightly upward, indicating that the costs of supported employment decline over time while those of sheltered workshops increase.

Keywords: Supported employment, sheltered employment, cost-trends, cumulative costs

1. Introduction

Throughout the vocational rehabilitation literature, many authors have claimed that supported employment is a better investment for taxpayers than sheltered workshops (cf. [3,4,11,12,16–20,22]). These assertions are corroborated by wealth of data from over twenty cost-effectiveness and cost-efficiency studies completed since the early 1980s [5,7,13]. In general, these studies have found that *over time* supported employment generates fewer costs than do sheltered workshops.

However, the longitudinal projections arrived at by many of these studies are often based upon the premise that the costs of supported employment decreases over time while the costs of sheltered workshops remain constant [9,20,21]. Intuitively, this premise makes sense. After all, as a job coach begins to fade from a worksite, the cost of services that that job coach provide will also decrease. Thus, it is very possible that, if a supported employee becomes completely independent from job coach intervention and supervision, the programmatic costs generated by that supported employee will be close to zero.

Sheltered employees, on the other hand, tend to be supervised constantly [2,23]. Further, for every billable

unit of time a sheltered employee is being supervised, supervisors are able to charge funding sources for their services [6,8]. Therefore, sheltered employees cannot remain in the workshop without generating at least some costs. In fact, the costs generated by sheltered employees should remain relatively constant from the first day in their program to the last, if the number of hours they work in the workshop also remains constant.

Although this premise seems logically sound, it has not been verified by actual data. In fact, of the more than twenty studies that have examined the costs of supported employment and sheltered workshops, none have demonstrated that the costs generated by individual supported employees decrease throughout their tenure while the costs generated by sheltered employees remain constant. If these cost-trends do not exist, the projected longitudinal analyses presented by other authors (cf. [6,20]) are not accurate. Moreover, if these projections are not accurate, it may be that supported employment isn't the best investment in the long-term for taxpayers after all.

The purpose of the present study is to explore the cost-trends of a group of supported employees and sheltered employees as they complete one “employment cycle” (i.e., from in-take to leaving their program, changing jobs within the community, or otherwise stopped

receiving services). Specifically, this study attempts to determine whether the costs generated by supported employees with mental retardation decrease over time while the costs generated by sheltered employees with the same condition remain constant. Implications and future areas of research will also be discussed.

2. Methods

2.1. Participant selection

Four adult services agencies that provide both supported and sheltered employment services agreed to participate in the present study. These agencies furnished cost data for all services received by each individual who had been enrolled in either their supported or sheltered programs from FY 2000 to 2005.

Of the individuals on whom cost data were available, 56 supported employees and 171 sheltered employees met the following criteria: a) they had a primary diagnosis of mental retardation, b) their disability was classified by their VR counselors as being "most significant" (i.e., at least three life areas were adversely affected), c) they had gone through one complete "job cycle" (i.e., they lost/changed their job within the community, exited their program, or otherwise stopped receiving services), and d) they only participated in supported employment or sheltered workshops, not both at the same time.

Individuals with mental retardation were selected for the focus of the present study due to their prevalence within the population being served by the cooperating agencies. There were not enough individuals with other conditions to maintain sizable comparison groups.

2.2. Data and data collection

Data provided by the participating adult service agencies included: a) demographic information on each employee (e.g., disabling condition, its severity, etc.), and b) the total amount that the agency billed various funding sources (e.g., Vocational Rehabilitation, Department of Mental Health, etc.) for all employment-related services received by each employee per fiscal quarter.

2.3. Conversion of dollar values

Given that the value of the dollar changes over time and that a dollar's worth of service in FY 2000 does not equal a dollar's worth of service in FY 2005, the costs of services obtained for the present study had to be converted to identical monetary units (e.g., FY 2005 dollars). This was done by multiplying the value of the services by the consumers' price index (CPI) of the base year (i.e., FY 2005) and then dividing the result by the CPI of the year in which the services were originally designated [15]. For example, in order to convert \$1,000 worth of services obtained in FY 2001, \$1,000 would be multiplied by 195.3 (i.e., FY 2005's CPI). The result (195,300) would then be divided by 177.1 (i.e., FY 2001's CPI), indicating that \$1,000 of FY 2001 money would be the equivalent of \$1,102.77 in FY 2005 money.

2.4. Calculation of cost-trends

A cost-trend analysis was created by calculating the average cost of services received during each of the fiscal quarters that the employees participated in their respective program. These average quarterly costs were then divided by the average total cumulative cost of services that employees received while participating in their program, thereby producing a percentage of the total cumulative costs that occurred during each time period.

These calculations were conducted for both supported and sheltered employees. The cost-trends were then compared to see whether the costs of supported employment decrease over time while the costs of sheltered employees remain constant as suggested in the literature [9,20,21].

3. Results

As can be seen by Table 1, all 56 supported employees received services for at least one fiscal quarter. The average per capita cost of these services equaled \$779.91. Fifty-two of the 56 supported employees received services during a second fiscal quarter for an average per capita cost of \$840.10. By the 12th fiscal quarter, none of the 56 supported employees were receiving services, thus no costs were being accumulated. (see Table 1).

From the first fiscal quarter to the last (i.e., fiscal quarter number eleven), supported employees generat-

Table 1
The average cost and percent of overall cumulative costs per quarter for supported employees

Fiscal Quarter of Service	Average Cost per Fiscal Quarter	Percent of Overall Cumulative Costs	Number of Supported Employees employed during each quarter
1	\$779.91	11.78%	56
2	\$840.10	12.69%	52
3	\$802.87	12.13%	47
4	\$591.83	8.94%	41
5	\$769.74	11.63%	39
6	\$756.18	11.42%	34
7	\$371.96	5.62%	23
8	\$603.00	9.11%	20
9	\$616.18	9.31%	17
10	\$412.00	6.22%	5
11	\$75.00	1.13%	1

Table 2
The average cost and percent of overall cumulative costs per quarter for sheltered employees

Fiscal Quarter of Service	Average Cost per Fiscal Quarter	Percent of Overall Cumulative Costs	Number of Supported Employees employed during each quarter
1	\$1,319.11	6.80%	171
2	\$1,470.89	7.59%	159
3	\$1,554.82	8.02%	140
4	\$1,383.87	7.14%	121
5	\$1,607.34	8.29%	109
6	\$1,732.31	8.93%	97
7	\$1,472.76	7.60%	85
8	\$1,704.13	8.79%	76
9	\$1,832.92	9.45%	66
10	\$1,766.50	9.11%	31
11	\$1,418.39	7.32%	7
12	\$2,125.00	10.96%	2

ed an average per capita cumulative cost of \$6,618.76. Approximately 12% of this cumulative cost occurred during the first fiscal quarter the supported employees received services (i.e., \$779.91 divided by \$6,618.76). Roughly 13% occurred in the second, 12% in the third, 9% in the fourth, and so on to the last fiscal quarter at which time 1.13% of the total cumulative costs were expended.

As can be seen in Table 2, all 171 sheltered employees received services for at least one fiscal quarter. Further, the average per capita costs of these services equaled \$1,319.11. One-hundred and fifty-nine sheltered employees remained employed for a second fiscal quarter. They utilized services costing an average of \$1,470.89. And so forth until the twelfth fiscal quarter when only two of the 171 sheltered employees were still receiving services for an average per capita cost of \$2,125. None of the 171 sheltered employees continued receiving services for more than twelfth fiscal quarters (see Table 2).

Examined throughout their entire employment cycle, the 171 sheltered employees obtained services averaging a cumulative cost of \$19,388.04. Nearly 7% of the overall cumulative costs were actualized in the first fiscal quarter, 7.59% in the second, 8.02% in the third, and so forth to the twelfth quarter in which 10.96% of the cumulative costs were incurred. Figure 1 presents the cost-trends for both the 56 supported employees and the 171 sheltered employees (see Fig. 1).

4. Discussion

From the data presented above, several salient points arise. The first involves the fact that the cumulative cost of services received by supported and sheltered employees during their employment cycle were significantly different (\$6,618.76 versus \$19,388.04). To put this in perspective, for every one sheltered employee placed in workshops, nearly three supported employees

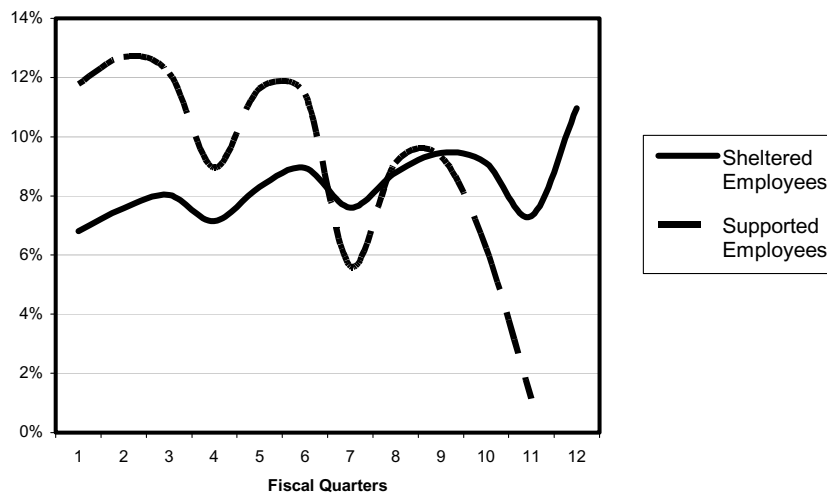


Fig. 1. Percent of overall cost for supported versus sheltered employees per fiscal quarter of service.

could have been funded within the community. This finding substantiates the results made by numerous other authors who have suggested that supported employment is a better investment for taxpayers over time than sheltered workshops (cf. [5,7,13]).

Although these general findings are not wholly new, their magnitude is. No previous study has found such a wide disparity between the costs of sheltered and supported employment. The apparent reason for the uniqueness is that the present study is one of the first to examine the *cumulative* costs that sheltered and supported employees generate over one complete employment cycle. Other studies conducted cost-analyses over shorter and relatively arbitrary lengths of time (c.f. [1, 12,14,16,18,22]).

A second noteworthy finding is that, after an initial increase experienced during the first three fiscal quarters, the cost-trend of supported employment was generally downward. Specifically, during the first three fiscal quarters of receiving services, supported employees consumed 36.6% of their total cumulative costs. Conversely, during their last three quarters of service, supported employees consumed only 6.6% of their total cumulative costs. This finding corroborates suggestions made by other authors that supported employment becomes more cost-efficient over time [9,11,12,20,21].

In comparison, the cost-trend for sheltered employees was generally upward, not constant as some authors have theorized [6,8]. More precisely, during their first three quarters of service, sheltered employees consumed 14.4% of their overall cumulative costs. During their last three fiscal quarters, they consumed 27.5%. This increase in cost suggests that sheltered employees

receive more services the longer they remain in workshops. Or, perhaps, the longer an individual remains in a sheltered workshop, the more hours they tend to “work” and, thus, generate costs related to being supervised more frequently. Such an interpretation is corroborated by other authors who found that the longer an individual stays in a workshop, the less likely they will ever leave for a community-based position [2].

With regard to supported employment’s cost-trend, periodic and sizable fluctuations occurred. For instance, in the fifth fiscal quarter, the percentage of overall cost increased by 2.69%. In the eighth fiscal quarter, the percentage of overall cost increased by 3.49%. These temporary rises likely coincided with the supported employees’ need to be periodically retrained in order to maintain their positions within the community. Yet, even with these intermittent increases, supported employees *decreased* the cost of their services by an average of 1.07% per consecutive fiscal quarter while sheltered employees *increased* theirs by 0.38%. Some fluctuations also occurred in the cost-trend for sheltered workshops. However, these amounted to an increase of little more than 1% (i.e., 1.15% in fiscal quarter number four and 1.19% in fiscal quarter number eight).

Although the present study sheds an important light on a previously unexplored cost-analysis of supported and sheltered employment programs, it contains some areas of weakness. For instance, data were only collected on individuals whose mental retardation was categorized as “most significant.” It is unclear whether supported and sheltered employees with less severe mental retardation or other conditions would have the same cost-trends. Future research will need to investigate this issue.

Further, this investigation examined only one employment cycle; that is, from the time a person entered their program to when they left, changed jobs within the community, or otherwise stopped receiving services. Had costs from subsequent employment cycles (e.g., second, third, or fourth jobs within the community) been considered, the cost-trends for supported employment might have been different than what was presented here. It would be interesting to explore whether the cost-trends of subsequent jobs differ from those from initial placements.

5. Conclusions

Over the years, much has been written about the costs of supported employment and sheltered workshops. Many studies have based their conclusions on the premise that the costs of supported employment decrease over time while the costs of sheltered workshops remain constant. However, to date, there has not been a systematic analysis of either program's cost-trends throughout the entire time individuals receive services.

The present study investigated the cost-trends generated by supported and sheltered employees with mental retardation during one "employment cycle"; that is, from the time they entered their program to when they exited, changed jobs, or no longer required services. Data found that not only were the cumulative costs of supported employment significantly cheaper than sheltered workshops (\$6,618 compared to \$19,388, respectively), but that the costs associated with supported employment decrease over time while the costs of sheltered workshops appear to increase slightly. Such findings further strengthen the arguments made by other researchers regarding the financial viability of supported employment programs for individuals with mental retardation.

References

- [1] R. Baer, T. Simmons, R. Flexer, and C. Smith, A study of the costs and benefits of supported employees with severe physical and multiple disabilities, *Journal of Rehabilitation Administration* **18**(1) (1995), 46–57.
- [2] G.T. Bellamy, L.E. Rhodes, P.E. Bourbeau and D.M. Mank, Mental retardation services in sheltered workshops and day activity programs, in: *Competitive Employment Issues and Strategies*, F.R. Rusch, ed., Baltimore: Brookes, 1986, pp. 257–272.
- [3] R.E. Cimera, Are individuals with severe or multiple disabilities cost-efficient to serve via supported employment? *Mental Retardation* **36** (1998), 280–292.
- [4] R.E. Cimera, The costs of supported employment in Wisconsin: FY 2002-FY2005, *Journal of Vocational Rehabilitation* (in press).
- [5] R.E. Cimera, The cost-efficiency of supported employment programs: A literature review, *Journal of Vocational Rehabilitation* **14** (2000), 51–61.
- [6] R.E. Cimera, *The effects of supported employee demographics on individual cost-efficiency*. Unpublished doctoral dissertation, University of Illinois Urbana-Champaign, 1997.
- [7] R.E. Cimera and F.R. Rusch, The cost-efficiency of supported employment programs: A review of the literature, in: *International Review of Research in Mental Retardation*, (Vol. 22), L.M. Glidden, ed., Academic Press: San Diego, 1999, pp. 175–225.
- [8] R. Conley, *The Economics of Mental Retardation*, Boston: Allyn and Bacon, 1973.
- [9] R.W. Conley, F.R. Rusch, W.B. McCaughrin and J. Tines, Benefits and costs of supported employment: An analysis of the Illinois supported employment project, *Journal of Applied Behavior Analysis* **22** (1989), 441–447.
- [10] M.L. Hill, P.D. Banks, R.R. Handrich, P.H. Wehman, J.W. Hill and M.S. Shafer, Benefit-cost analysis of supported competitive employment for persons with mental retardation, *Research in Developmental Disabilities* **8** (1987), 71–89.
- [11] M. Hill and P. Wehman, Cost benefit analysis of placing moderately severely handicapped individuals in competitive employment, *Journal of the Association for the Severely Handicapped* **8** (1983), 30–38.
- [12] M.L. Hill, P.H. Wehman, J. Kregel, P.D. Banks and H.M.D. Metzler, Employment outcomes for people with moderate and severe disabilities: An eight-year longitudinal analysis of supported competitive employment, *Journal of the Association for the Severely Handicapped* **12** (1987), 182–189.
- [13] J. Kregel, P. Wehman, G. Revell, J. Hill and R. Cimera, Supported employment benefit-cost analysis: Preliminary findings, *Journal of Vocational Rehabilitation* **14** (2000), 153–161.
- [14] C.S. Lam, Comparison of sheltered and supported work programs: A pilot study, *Rehabilitation Counseling Bulletin* **30**(2) (1986), 66–82.
- [15] H.M. Levin and P.J. McEwan, *Cost-effectiveness Analysis: Methods and Applications*, Sage: Thousand Oaks, 2000.
- [16] D.R. Lewis, D.R., Johnson, R.H. Bruininks, L.A. Kallsen and R.P. Guillery, Is supported employment cost-effective in Minnesota? *Journal of Disability Policy Studies* **3** (1992), 67–92.
- [17] W.B. McCaughrin, *Longitudinal trends of competitive employment for developmentally disabled adults: A benefit-cost analysis*, Unpublished doctoral dissertation, University of Illinois Urbana-Champaign, 1988.
- [18] W.B. McCaughrin, W.K. Ellis, F.R. Rusch and L.W. Heal, Cost-effectiveness of supported employment, *Mental Retardation* **31** (1993), 41–48.
- [19] F.R. Rusch, R.W., Conley and W.B. McCaughrin, Benefit-cost analysis of supported employment in Illinois, *Journal of Rehabilitation* **59** (1993), 31–36.
- [20] K. Schneider, F.R. Rusch, R. Henderson and T. Geske, Competitive employment for mentally retarded persons: Costs vs. benefits, in: *Funding and Cost Analysis*, W. Halloran, ed., Urbana: University of Illinois, Leadership Training Institute, 1981, pp. 63–82.
- [21] J. Tines, F.R. Rusch, W. McCaughrin and R.W. Conley, Benefit-cost analysis of supported employment in Illinois: A

- statewide evaluation, *American Journal of Mental Retardation* **95** (1990), 44–54.
- [22] P. Wehman, M. Hill, J. Hill, V. Brooke, P. Pendleton and C. Britt, Competitive employment for persons with mental retardation: A follow-up six years later, *Mental Retardation* **23** (1985), 274–281.
- [23] C.W. Whitehead, Sheltered workshops in the decade ahead: Work, wages, and welfare, in: *Vocational Rehabilitation of Severely Handicapped Persons*, G.T. Bellamy, G. O’Conner and O.C. Karan, eds, Baltimore: University Park Press, 1979, pp. 71–84.

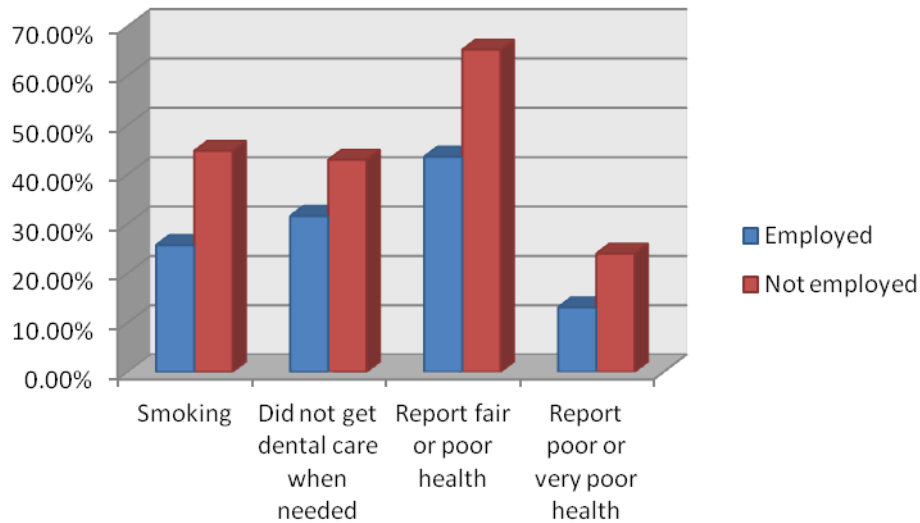
“Employment as a health determinant for working-age, dually-eligible people with disabilities”

By Hall, Kurth, and Hunt (Disability and Health Journal) 2013

A Synopsis:

- Individuals with disabilities are a health disparity population with high rates of risk factors, lower overall health status, and greater health care costs. Findings indicated participants with any level of paid employment had significantly lower rates of smoking and better quality of life; self-reported health status was significantly higher, while per person per month Medicaid expenditures were less. Employment, even at low levels, was associated with better health and health behaviors as well as lower costs.

Prevalence of health risk behaviors by employment status



- **Working age people with disabilities are 2.8 times more likely to live in poverty than those without disabilities.**¹ In turn, lower financial status puts people with disabilities at risk for living in substandard housing and for social and environmental risks that negatively affect health, such as exposure to violence and not having access to health promotion activities. Moreover, these health disparities are present across all disability groups, such as sensory, mobility/physical, psychiatric, and intellectual.²
- **Lessening the Fear of Losing Benefits:** The Balanced Budget Act of 1997 (P.L.105-33) and the Ticket to Work and Work Incentives Improvement Act of 1999 (TWWIIA) (P.L. 106-179) allowed states to create Medicaid Buy-In programs that enable people with disabilities to work and increase income without losing Medicaid benefits. Although the stated intention of these programs is to reduce this population's dependency on federal cash benefits, the potential exists for people with disabilities enrolled in Buy-Ins to begin or continue to work, increase income and savings, improve health status, increase independence and decrease medical expenditures. Medicaid Buy-In programs currently operate in 45 states. **Alaska has both of these options for its citizens with disabilities to utilize and become employed.**
- **Employment was also associated with lower health care costs to Medicare and Medicaid, a finding of potential national significance given the substantial rise in costs of these programs for people with disabilities.**³ **See reverse.**



¹ U.S. Department of Health and Human Services, Public Health Service. *Healthy People 2010 Progress Review: Disability and Secondary Conditions*. Washington, DC: Author; 2006.

² Iezzoni L. *Eliminating health and health care disparities among the growing population of people with disabilities*. *Health Aff.* 2011;30(10):1947–1954.

³ Livermore G, Stapleton D, O'Toole M. *Health care costs are a key driver of growth in federal and state assistance to working-age people with disabilities*. *Health Aff.* 2011;30(9):1664–1672

Fig. 1

2010 Medicare and Medicaid Expenditures (pmpm). Note: Outpatient claims include medical, mental health capitation rates, targeted case management and HCBS-related services (dental & drug claims not included). Data Source: Kansas Medicaid Management Information System (MMIS) and CMS Medicare claims data files.

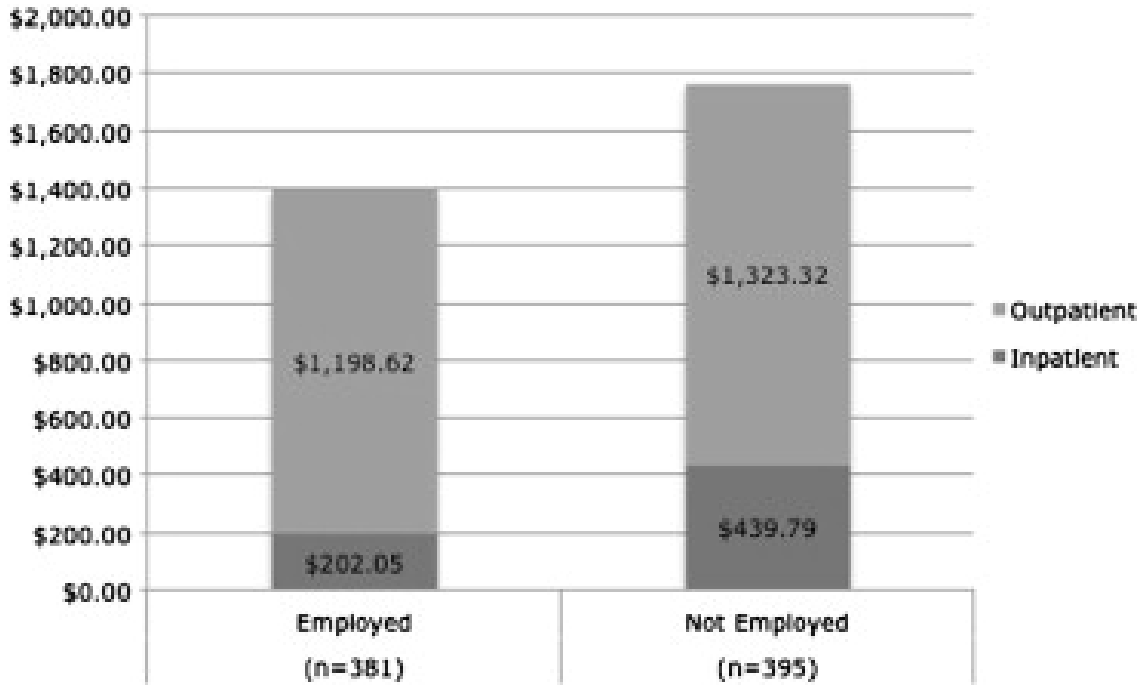
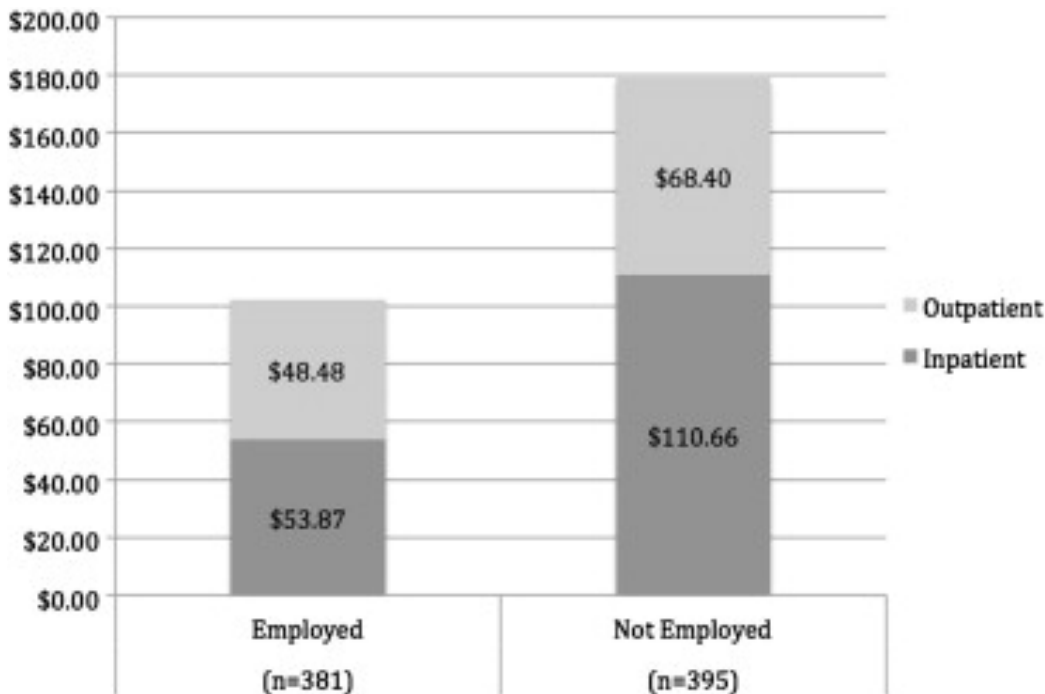


Fig. 2

2010 Medicaid Costs, Medical only (pmpm). Note: Outpatient medical only claims include doctor & clinic visits, rehab, physical therapy. Data Source: Kansas Medicaid Management Information System (MMIS).



Research Paper

Employment as a health determinant for working-age, dually-eligible people with disabilities

Jean P. Hall, Ph.D.^{a,*}, Noelle K. Kurth, M.S.^a, and Suzanne L. Hunt, M.S., M.A.^b

^a*Institute for Health and Disability Policy Studies, University of Kansas, United States*

^b*Department of Biostatistics, University of Kansas Medical Center, United States*

Abstract

Background: Individuals with disabilities are a health disparity population with high rates of risk factors, lower overall health status, and greater health care costs. The interacting effect of employment, health and disability has not been reported in the research.

Objective: This study examined the relationship of employment to health and quality of life among people with disabilities.

Methods: Self-reported survey data and secondary claims data analyses of 810 Kansans ages 18–64 with disabilities who were dually-eligible for Medicare and Medicaid; 49% were employed, with 94% working less than 40 hours per week. Statistical analyses included ANOVA for differences between the employed and unemployed groups' health status, risk scores, and disease burdens; chi-square analyses for differences in prevalence of health risk behaviors and differences in quality of life by employment status; and logistic regression with health status measures to determine factors associated with higher than average physical and mental health status.

Results: Findings indicated participants with any level of paid employment had significantly lower rates of smoking and better quality of life; self-reported health status was significantly higher, while per person per month Medicaid expenditures were less. Employment, even at low levels, was associated with better health and health behaviors as well as lower costs. Participants reported being discouraged from working by medical professionals and federal disability policies.

Conclusions: Although cause–effect cannot be established from this study, findings strongly support changes to provider practices and federal disability policy to support employment at all levels for people with disabilities. © 2013 Elsevier Inc. All rights reserved.

Keywords: Disability; Employment; Health disparity; Dual-eligible

Working age individuals with disabilities are a health disparity population, having much higher rates of smoking and obesity and lower rates of dental care visits and medical screening services, such as mammograms, than do their peers without disabilities.¹ These individuals are also more likely to be in fair to poor health, to experience serious psychological distress and co-morbid health conditions,

and to have lower income and higher rates of unemployment.^{2,3} Indeed, working age people with disabilities are 2.8 times more likely to live in poverty than those without disabilities.² In turn, lower financial status puts people with disabilities at risk for living in substandard housing and for social and environmental risks that negatively affect health, such as exposure to violence and not having access to health promotion activities. Moreover, these health disparities are present across all disability groups, such as sensory, mobility/physical, psychiatric, and intellectual.⁴

Although a large body of research exists on the relationship of income and health, much less research examines the specific and interacting effects of employment, health and disability.^{5–8} As Ross and Mirowsky noted, “employment correlates positively with health, but is employment cause or consequence?”⁹ Indeed, researchers have historically argued that much of the correlation between employment and health is due to the selection of healthy people into the workforce.^{10–12} Acknowledging the confounding nature of the relationship, Ross and Mirowsky found that economic well-being from earned wages accounted for only a small portion of employment's effect on changes in health,

This paper was presented as *Employment as a Health Determinant in a Younger, Dually-Eligible Population* at AcademyHealth Disability Research Interest Group meeting, Orlando, FL, June 23, 2012.

The contents of this article were developed under a contract with the Kansas Department of Health and Environment (KHPA2007-055) and a grant from the U.S. Department of Education, NIDRR grant number H133G10082-11. However, contents do not necessarily reflect the policy of the Department of Education, and you should not assume endorsement by the Federal Government.

The authors wish to acknowledge their colleagues on this project, Dr. Theresa Shireman and Dr. Ellen Averett.

* Corresponding author. J.R. Pearson Hall, Room 517, 1122 West Campus Road, Lawrence, KS 66045-3101, United States. Tel.: +1 785 864 7083; fax: +1 785 864 5728.

E-mail address: jhall@ku.edu (J.P. Hall).

indicating that even lower income jobs might result in improved health status.⁹ On the other hand, work has also been associated with poorer health outcomes when workplace conditions are not optimal.^{13–15} In its report on social determinants of health, the World Health Organization noted that stress in the workplace plays an important role in health.¹⁶ The report suggested that having low decision-making authority or control over one's work is particularly predictive of adverse health outcomes for employees.

Very few studies have examined the effect of employment on health and quality of life outcomes specifically among people with disabilities. A few small studies have investigated the effect of paid employment on quality of life, self-esteem and mental health among people with severe mental illness.^{17–20} All but one of these studies found significant improvements in these domains for workers compared to non-workers with the same conditions. Further, studies of vocational rehabilitation (VR) outcomes have shown people with mental illness who obtain employment through VR also have higher levels of self-esteem and fewer symptoms than those who do not work.^{19,21} Studies of people with mental illness have indicated that even low levels of work can have clinical benefits and contribute to improved overall mental health.^{17,18,20} Similarly, other studies found that employment was associated with greater quality of life for people with physical disabilities and intellectual disabilities.^{22,23}

Yet, people with disabilities have historically been served by state and federal programs that require them to remain poor, and therefore unemployed, in order to get the health care services they need. The Balanced Budget Act of 1997 (P.L.105-33) and the Ticket to Work and Work Incentives Improvement Act of 1999 (TWWIIA) (P.L. 106-179) allowed states to create Medicaid Buy-In programs that enable people with disabilities to work and increase income without losing Medicaid benefits. Although the stated intention of these programs is to reduce this population's dependency on federal cash benefits, the potential exists for people with disabilities enrolled in Buy-Ins to begin or continue to work, increase income and savings, improve health status, increase independence and decrease medical expenditures. Medicaid Buy-In programs currently operate in 45 states.

Because individuals with disabilities eligible for Supplemental Security Income (SSI) can only maintain their Medicaid coverage through the 1619 a and b programs, the majority of Buy-In participants nationally are people who receive Social Security Disability Insurance (SSDI) and are dually-eligible for Medicare and Medicaid.²⁴ Approximately 90% of Buy-In participants in Kansas are dually eligible for both Medicaid and Medicare.²⁵ Mental illnesses are the single most common condition within the dually-eligible population of people with disabilities.²⁶ Kansas Buy-In participants, like participants nationally, have a wide range of disabilities, with mental illnesses being the most prevalent. In Kansas, overrepresentation of

people with mental illnesses may in large part be due to historical program design features. Unlike people with physical and intellectual disabilities, people with mental illnesses in Kansas were not eligible to receive home- and community-based services (HCBS) through a waiver, and therefore were not subject to any loss of services when enrolling in the Buy-In. In 2007, Kansas implemented HCBS-like services for people with physical and intellectual disabilities and representation of those groups in the Buy-In has grown, but people with mental illnesses remain the largest population. Preliminary findings among Kansas Medicaid Buy-In enrollees indicated that participants with all types of disabilities experienced increased levels of mental health, independence, and financial status. Every year since 2003, more than 50% of participants have reported improvements in these domains as the result of participating in the Buy-In and, consequently, working competitively.²⁷ On the other hand, some enrollees reported increases in mental and physical stress caused by their work or that their disabilities worsened because of work. We initially hypothesized that Buy-In participation would predict better health outcomes. What we found, instead, was that employment at any level was associated with better health status, lower health care costs, and decreased health risk behaviors, regardless of Buy-In participation status.

Methods

Design

We used a mixed-methods design with both self-reported survey data and secondary claims data for understanding the associations between employment and health and health risk behaviors, and identifying significant differences in these domains between employed and non-employed participants in our study. The University of Kansas Human Subjects Committee, which is the University's federally recognized institutional review board, approved this study design as well as all informed consent documents and procedures.

Sample

The study population included all enrollees in the Kansas Medicaid Buy-In as of March 2011 who had been enrolled at least three months ($n = 1168$) and a randomly selected group of dually-eligible Kansas Medicaid recipients ages 18–64 who had never been enrolled in the Buy-In ($n = 1247$). The 810 individuals who responded to our survey comprised the total study sample.

Survey instrument

The survey contained items related to demographics, current employment status, employment history, quality of life, health status, health risk behaviors and access to

health care. To measure quality of life we included the 26 items from the World Health Organization Quality of Life instrument (WHOQOL-BREF). Although not a normed measure, the WHOQOL is internationally recognized and widely used as a reliable and short measure of quality of life that provides the added benefit of measuring four separate domains within the larger quality of life construct. Our survey also included the SF-12 (version 1), a scale derived from the SF-36. The SF-12 yields summary scores for physical health (Physical Component Summary; PCS) and mental health (Mental Component Summary; MCS) as well as several subscales. In order to allow for in-state and cross-state comparisons, items from the BRFSS related to health risk factors were also used in the survey. In terms of employment status, survey respondents were asked if they had been employed for pay within the past 30 days as well as the duration of their current employment. For analysis purposes, individuals in both groups were considered employed if they had been employed in the last 30 days and had been working for at least one year. This threshold was chosen to ensure individuals were employed during 2010 to correspond to the Medicaid and Medicare claims data for calendar year 2010. Of the overall sample of 810, employment data from the two items were complete for 776 individuals.

Primary data collection

We surveyed the study population between March and June, 2011. The response rate for Buy-In enrollees was 44% ($n = 513$) and for the non-enrollees was 24% ($n = 297$), making a total survey sample size of 810. The difference in response rates between the groups is likely explained by the fact that Buy-In participants were accustomed to receiving an annual survey, while individuals in the non-enrolled group had never received a survey of this type. Moreover, we encountered more difficulties obtaining accurate contact information for the non-enrollees, with many surveys returned as undeliverable and no working telephone number available. Because the survey process may not have been as familiar to non-enrollees, who had not been previously surveyed annually, we sent initial postcards 2–4 weeks before mailing the survey and reminder postcards 6–8 weeks after in an attempt to increase sample size.²⁸ All participants received a toll-free phone number for questions, alternate formats or to have the survey read to them. We paid \$10 stipends to individuals who completed the survey.

To test representativeness, we compared survey responders to non-responders on demographic variables (gender, age, race and ethnicity) and on health risk scores (described below). For both the enrollees and non-enrollees, significantly more females responded to the survey (males were 47.7% of the enrollee survey recipients but only 42.5% of the responders and 49.2% of the non-enrollee recipients but only 39.7% of the responders).

Health risk scores were not statistically different between responders and non-responders for either group, indicating that overall health was similar for responders and non-responders, but people with intellectual disabilities were significantly under-represented among the responders to the non-enrollee survey. Again, unfamiliarity with the survey among non-enrollees, their family members, or proxies may have played a larger role in non-response, and this effect seems to have been particularly pronounced for individuals with intellectual disabilities.

Secondary claims data collection

We obtained administrative claims data from the Kansas Medicaid Management Information System (MMIS; Medicaid claims) and the Research Data Assistance Center (ResDAC; Medicare claims) for calendar year 2010 for both groups.

Analyses

We initially planned to analyze survey and claims data to compare the Buy-In population to dually-eligible individuals not enrolled in the Buy-In. Preliminary tests indicated some differences between the groups in distributions of disability type (i.e., a higher rate of mental illnesses in the Buy-In group; a higher rate of intellectual disabilities in the comparison group). Other demographics were comparable with no significant differences between groups except that comparison group members were slightly older. While some non-significant differences existed between the two groups on quality of life and health risk measures, what became obvious was that the differences *within* in each group were based upon employment status. Although employment is a requirement for participation in the Buy-In, individuals are allowed a six-month grace period to find a new job should they become unemployed. In addition, some participants work only intermittently or seasonally. These facts, in addition, to the fact that some survey participants had been enrolled less than a year, resulted in an employment rate of 89% for the Buy-In group. Conversely, only 14% of the non-enrollee group was employed. Of the 776 with complete employment data across both Buy-In and non-enrollee groups, 49% ($n = 381$) were employed for at least one year and 51% ($n = 395$) were not.

Therefore, we revised our analytical approach and used ANOVA to test for significant differences between the employed and unemployed groups' health status (SF-12 Mental Component Summary [MCS] and Physical Component Summary [PCS]). We conducted chi-square analyses to determine differences in the prevalence of health risk behaviors, and to test for differences in quality of life by employment status. Additionally, we conducted logistic regression with health status measures (SF-12 MCS and PCS) to determine factors that predict higher than average

physical and mental health status, such as gender, race, age and number of hours employed/week.

For the secondary data analyses, we used calendar year 2010 Medicaid and Medicare claims data to calculate per member per month (pmpm) costs for those in the employed and not employed groups. The calculation included only claims for months in which the beneficiary was Medicaid eligible. All 776 subjects had at least one Medicaid or Medicare claim in the calendar year. Medicaid claims included outpatient medical (doctor, clinic, therapy visits), Home and Community Based Waiver Services (HCBS), mental health capitation monthly rates, inpatient, dental, and prescription drug costs. Medicare claims included outpatient, physician, inpatient, skilled nursing facility, durable medical equipment, and home health costs. We also utilized Medicaid claims to calculate individuals' risk scores and disease burden using the Chronic Illness and Disability Payment System (CDPS 5.3). CDPS methodology uses diagnosis codes from Medicaid claims to describe the health status of enrollees. The method assigns person-level risk scores and categorizes diagnoses into 20 major categories. Although these categories cannot provide a complete picture of an individual's disability (e.g., intellectual, mental illness), they can provide a measure of individual health status.²⁹ Using these data we performed ANOVA tests to assess differences between risk scores and disease burdens (i.e., number of conditions) for the employed and non-employed groups.

Results

Demographically, the employed and non-employed groups were very similar (Table 1). The employed group had more individuals with mental illness and intellectual disabilities, probably reflecting the overall higher rate of mental illness among the Buy-In participants and a recent outreach effort to individuals with intellectual disabilities (Note that disability types are self-reported and, when an individual has more than one disability, the open-ended survey item asks that the respondent list their "main" disability first).

With regard to health risks, the self-reported rate of smoking was significantly lower in the employed group (Table 2). Rates of obesity calculated from self-reported height and weight, however, were not significantly different between groups and were high compared to the general population. Self-reported quality of life and general health were much better for the employed group. Similarly, members of the employed group were significantly less likely to have forgone dental care, perhaps due to the fact that they had more discretionary income (Kansas Medicaid only covers tooth extractions for adults).

Analyses of the physical (PCS) and mental (MCS) health measures in the SF-12 showed significantly higher scores for the employed group (Table 3). Further exploration of the PCS scores using logistic regression found that

Table 1

Demographics	Employed	Not employed	Total sample ^a
Gender (female)	54.3%	61.8%	58.8%
Mean age in years (<i>SD</i> , range)	48.3 (10.8, 20–64)	51.1 (9.4, 25–64)	49.8 (10.1, 20–64)
Race (White)	89.5%	82.8%	86.1%
Ethnicity (Hispanic)	3.9%	2.5%	3.5%
Self-reported disability type ^{b,c,d}			
Mental illness	35.2%	24.8%	29.6%
Physical	20.5%	32.2%	25.9%
Chronic illness	15.2%	26.1%	21.3%
Intellectual	21.8%	8.1%	14.4%
Sensory	3.1%	3.0%	3.1%
Unreported	4.2%	5.8%	5.7%
Has a College Degree ^e	27.1%	17.4%	22.4%
Mean work hours/week (<i>SD</i> , range)	17.0 (10.2, 1–55)	–	–

^a Employed ($n = 381$) plus not employed ($n = 395$) does not equal total sample ($n = 810$) due to item non-responses.

^b Mental illness category includes such conditions as schizophrenia, bipolar disorder, and depression.

^c Physical includes traumatic brain injuries (TBI).

^d Chronic illness category includes such conditions as end-stage renal disease, lupus, epilepsy, HIV/AIDS and cystic fibrosis.

^e Category includes associates, bachelors, and graduate degrees.

younger age and male gender were associated with greater odds of having PCS scores above the sample mean of 36.5 (Table 4). Perhaps surprisingly, though, higher levels of education were associated with lower PCS scores. This finding may indicate that individuals with higher educational levels are more aware of and likely to report limitations they experience relative to others. Or, the finding may also indicate that individuals with more severe disabilities have pursued additional education in order to improve their employability. With regard to the effect of employment, the analysis indicated that any level of employment was associated with greater odds of having PCS scores above the mean, with more work hours associated with greater odds of higher PCS scores. Finally, people with physical

Table 2

Prevalence of health risk behaviors by employment status

	Employed ^a	Not employed ^a	<i>p</i> -value
Smoking ^b	25.7%	44.8%	<.0001*
Obesity	58.0%	55.6%	.283
Did not get dental care when needed ^b	31.6%	43.0%	<.001*
Report fair or poor health ^c	43.6%	65.3%	<.0001*
Report poor or very poor QOL ^d	13.1%	24.0%	<.0001*

* $p < .001$.

^a Employed $n = 376$; not employed $n = 391$.

^b These questions were adapted from the Behavioral Risk Factor Surveillance System (BRFSS): How often do you smoke cigarettes? And during the past 12 months, did you not get dental care when you needed it?

^c Item from SF-12: In general, would you say your health is excellent, very good, good, fair or poor?

^d Item from World Health Organization QOL Survey: How would you rate your quality of life?

Table 3

Health status	Mean	SD	Min	Max	95% CI	p-value
SF-12 Physical Component Summary (PCS) ^a						
Employed (n = 361)	39.9	12.4	12.4	67.7	38.7, 41.3	<.0001*
Not Employed (n = 368)	33.0	11.0	11.6	65.3	31.9, 34.1	
SF-12 Mental Component Summary (MCS) ^a						
Employed (n = 361)	44.4	11.6	12.6	67.9	43.2, 45.6	<.0001*
Not employed (n = 368)	40.2	11.7	14.0	67.4	39.0, 41.4	
CDPS risk score ^b						
Employed (n = 381)	1.31	1.16	0.15	6.16	1.20, 1.43	<.0001*
Not employed (n = 395)	1.68	1.15	0.18	12.05	1.56, 1.80	
CDPS disease burden ^c						
Employed (n = 381)	5.90	3.13	0.0	16.0	5.60, 6.21	<.0001*
Not employed (n = 395)	7.35	3.50	0.0	16.0	6.99, 7.71	

*p < .001.

^a SF-12 standard summary scores = 1–100, national mean = 50 (SD = 10).

^b National mean for general population = 1.0 and national mean for dual-eligibles with disabilities = 1.6.³⁰

^c CDPS disease burden equals the number of conditions divided by 20.

disabilities and chronic illnesses had greater odds of having PCS scores below the mean than did people with intellectual disabilities or mental illnesses. Logistic regression of MCS scores indicated that only gender (female) and disability type (mental illness) were associated with greater odds of scores lower than the sample mean (42.2).

Comparison of CDPS measures of health risk and disease burden (Table 3) showed trends similar to that of the PCS scores, with the employed group having both lower risk scores and fewer chronic conditions than the non-employed group. Similarly, analyses of claims data showed that the employed group had lower overall Medicaid and Medicare costs (Fig. 1). Further analysis of expenditure types indicated that the employed group had

Table 4

Physical health logistic regression		
Variable	Odds ratio (95% CI)	p-value
Age	0.964 (0.942, 0.985)	.0011*
Gender (female)	1.693 (1.073, 2.672)	.0238*
Education (associates degree+ v. no degree)	0.554 (0.345, 0.890)	.0145*
Employed 11–20 h/week v. not employed	2.020 (1.138, 3.586)	.0163*
Employed 21–30 h/week v. not employed	2.339 (1.055, 5.186)	.0365*
Employed 31+ h/week v. not employed	4.165 (1.590, 10.908)	.0037*
Physical disability v. mental illness	0.215 (0.123, 0.378)	<.0001*
Chronic illness v. mental illness	0.241 (0.133, 0.439)	<.0001*
Intellectual disability v. mental illness	2.516 (0.978, 6.470)	.0556

*p < .05.

lower combined outpatient and inpatient medical costs (non-HCBS), with markedly higher inpatient costs among the non-employed group (Fig. 2). Looking at only the medical costs indicated in Fig. 2 (physician/clinic visits and hospital stays) without any of the HCBS-related costs perhaps provides a clearer picture of the health of individuals in these groups. Although HCBS services are vital to independence—and often employment—they do not necessarily correlate with an individual's actual health status.

Discussion

Employment showed a positive relationship with all measures of health status—except obesity—and health behaviors across all disability groups. Employment was also associated with lower health care costs to Medicare and Medicaid, a finding of potential national significance given the substantial rise in costs of these programs for people with disabilities.³¹ The stark difference in smoking rates between the employed and non-employed groups, alone, has large public health implications. Simply spending time in a workplace that does not allow smoking could account for some of the difference and could have long-term health benefits completely separate from those of the employment itself. Conversely, long-term smokers may be relatively sicker and thus less able to work, a possibility that can perhaps be further explored in future research. Despite our findings, survey participants reported that medical professionals and other service providers often discouraged them from working either because they would lose their disability benefits or their disability might worsen.³² Moreover, recent guidance from the Social Security Administration discourages supporting long-term, part-time employment among federal disability beneficiaries.³³

Obesity is a national health problem for the entire population.³⁴ While employment was associated with better

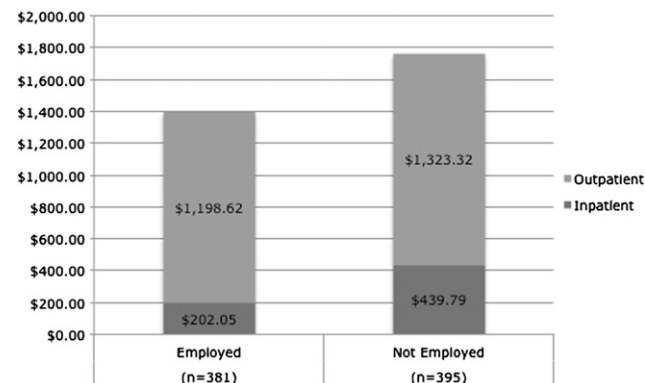


Fig. 1. 2010 Medicare and Medicaid Expenditures (pmpm). Note: Outpatient claims include medical, mental health capitation rates, targeted case management and HCBS-related services (dental & drug claims not included). Data Source: Kansas Medicaid Management Information System (MMIS) and CMS Medicare claims data files.

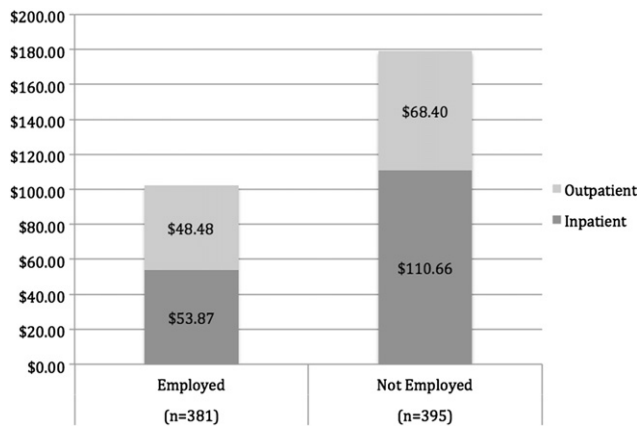


Fig. 2. 2010 Medicaid Costs, Medical only (pmpm). Note: Outpatient medical only claims include doctor & clinic visits, rehab, physical therapy. Data Source: Kansas Medicaid Management Information System (MMIS).

health and lower rates of smoking in our population of people with disabilities, it showed no relationship with obesity, with high rates of obesity in both the employed and unemployed groups. Indeed, the problem may be larger than our self-reported data suggest because individuals tend to under-report weight and over-report height.³⁵ To the extent that the relationship of obesity to education, income and other personal characteristics is complex, employment alone is not likely to significantly reduce obesity for people with disabilities.³⁶

Although the findings reported are highly suggestive, we cannot yet demonstrate a cause and effect relationship of employment to improved health. Nevertheless, the findings support efforts to encourage work, even work at low levels, among people with disabilities. Currently a second round of surveys and claims analysis is underway and will provide longitudinal data to better test the hypothesis that employment, even at low levels, can result in improved health for working age individuals with disabilities. In the mean time, the present findings strongly support consideration of changes to provider practices and federal disability policy that encourage and support employment at all levels for people with disabilities.

References

- Centers for Disease Control and Prevention. Behavioral Risk Factor Surveillance System (BRFSS): 2010. [data table online] Available from: http://www.cdc.gov/BRFSS/technical_infodata/surveydata/2010.htm.
- U.S. Department of Health and Human Services, Public Health Service. *Healthy People 2010 Progress Review: Disability and Secondary Conditions*. Washington, DC: Author; 2006.
- Iezzoni L, Long-Bellil L. Training physicians about caring for persons with disabilities: "Nothing about us without us!". *Disabil Health J*. 2012;5:136–139.
- Iezzoni L. Eliminating health and health care disparities among the growing population of people with disabilities. *Health Aff*. 2011;30(10):1947–1954.
- Adler N, Singh-Manoux A, Schwartz J, Stewart J, Matthews K, Marmot M. Social status and health: a comparison of British civil

- servants in Whitehall-II with European- and African-American in CARDIA. *Soc Sci Med*. 2008;66(5):1034–1045.
- Lynch J, Kaplan G, Shema S. Cumulative impact of sustained economic hardship on physical, cognitive, psychological and social functioning. *N Engl J Med*. 1997;337(26):1889–1895.
- Marmot M, Smith G, Stansfeld S, et al. Health inequalities among British civil servants: the Whitehall II study. *Lancet*. 1991;337(8754):1387–1393.
- Wynia K, Middel B, van Dijk J, De Keyser J, Reijneveld S. The impact of disabilities on quality of life in people with multiple sclerosis. *Mult Scler*. 2008;14:972–980.
- Ross C, Mirowsky J. Does employment affect health? *J Health Soc Behav*. 1995;36(3):230–243. p. 230.
- Repetti R, Matthews K, Waldron I. Employment and women's health: effects of paid employment on women's mental and physical health. *Am Psychol*. 1989;44(11):1394–1401.
- Waldron I, Herold J, Dunn D, Staum R. Reciprocal effects of health and labor force participation among women: evidence from two longitudinal studies. *J Occup Environ Med*. 1982;24(2):126–132.
- Waldron J. Homelessness and the issue of freedom. *UCLA Law Rev*. 1991;39:295–324.
- Bosma H, Peter R, Siegrist J, Marmot M. Two alternative job stress models and the risk of coronary heart disease. *Am J Public Health*. 1998;88(1):68–74.
- Peter R, Siegrist J, Hallqvist J, Reuterwall C, Theorell T. Psychosocial work environment and myocardial infarction: improving risk estimation by combining two complementary job stress models in the SHEEP Study. *BMJ*. 2002;56(4):294–300.
- Wang J. Perceived work stress and major depressive episodes in a population of employed Canadians over 18 years old. *J Nerv Ment Dis*. 2004;192(2):160–163.
- Wilkinson R, Marmot M, eds. *Social Determinants of Health: The Solid Fact*. 2nd ed. Copenhagen, Denmark: World Health Organization; 2003.
- Bell M, Lysaker P, Milstein R. Clinical benefits of paid work activity in schizophrenia. *Schizophr Bull*. 1996;22:51.
- Dongen C. Quality of life and self-esteem in working and nonworking persons with mental illnesses. *Community Ment Health J*. 1996;32(6):535–548.
- Mueser K, Becker D, Torrey W, et al. Work and nonvocational domains of functioning in persons with severe mental illness: a longitudinal analysis. *J Nerv Ment Dis*. 1997;185(7):419–426.
- Bond G, Resnick S. Does competitive employment improve nonvocational outcomes for people with severe mental illness? *J Consult Clin Psychol*. 2001;69(3):489–501.
- Bell M, Milstein R, Lysaker P. Pay and participation in work activity: clinical benefits for clients with schizophrenia. *Psychiatr Rehabil J*. 1993;17(2):173.
- Kinney W, Coyle C. Predicting life satisfaction among adults with physical disabilities. *Arch Phys Med Rehabil*. 1992;73(9):863–869.
- Kober R, Eggleton I. The effect of different types of employment on quality of life. *J Intellect Disabil Res*. 2005;49(10):756–760.
- Davis S, Irely H. *How Does the Medicaid Buy-In Program Relate to Other Federal Efforts to Improve Access to Health Coverage for Adults with Disabilities? (#2)*. Washington, DC: Mathematica Policy Research, Inc; 2006.
- Author. Evaluating the Kansas Medicaid Buy-In: factors influencing enrollment, health care utilization, and work. *Disabil Health J*. 2010;3(2):99–106.
- Coughlin T, Waidmann T, Watts MO. *Where Does the Burden Lie? Medicaid and Medicare Spending for Dual Eligible Beneficiaries (#7895)*. Washington, DC: The Kaiser Family Foundation, Kaiser Commission on Medicaid and the Uninsured; 2009.
- Author. *Working Healthy Data Chartbook*. 2nd ed. Lawrence, KS: The University of Kansas, Center for Research on Learning, Division of Adult Studies; 2011.

28. Dillman D. *Mail and Internet Surveys: The Tailored Design Method*. New York: John Wiley & Sons, Inc.; 2000.
29. University of California San Diego. *Chronic Illness and Disability Payment System* [online system]. Available from: <http://cdps.ucsd.edu/>; 2012.
30. Kronick R, Bella M, Gilmer T, Somers S. *The Faces of Medicaid II: Recognizing the Care Needs of People with Multiple Chronic Conditions*. Hamilton, NJ: Center for Health Care Strategies Inc.; 2007.
31. Livermore G, Stapleton D, O'Toole M. Health care costs are a key driver of growth in federal and state assistance to working-age people with disabilities. *Health Aff*. 2011;30(9):1664–1672.
32. Author. What providers and Medicaid policymakers need to know about barriers to employment for people with disabilities. *J Health Soc Policy*. 2004;19(3):37–50.
33. Social Security Administration. *Informing Beneficiaries of the Goals of the Ticket Program: Employment, Benefits Reduction and Self-sufficiency*. Available from: http://yourtickettowork-uat.maximus.com/c/document_library/get_file?uuid=f6bd4120-9038-4002-8b77-438832fcce31&groupId=25544; 2012.
34. Finklestein E, Trogdon J, Cohen J, Dietz W. Annual medical spending attributable to obesity: payer- and service-specific estimates. *Health Aff*. 2009;28(5):w822–w831.
35. McAdams M, Van Dam R, Hu F. Comparison of self-reported and measured BMI as correlates of disease markers in U.S. adults. *Obesity*. 2007;15(1):188–196.
36. Ogden C, Lamb M, Carroll M, Flegal K. *Obesity and Socioeconomic Status in Adults: United States, 2005–2008*. Data Brief No. 50. Washington, DC: U.S. Department of Health and Human Services, National Center for Health Statistics; 2010.



Employment First Helps Everyone:

Individuals with Disabilities (& Families)



"The only disability in life is a bad attitude."

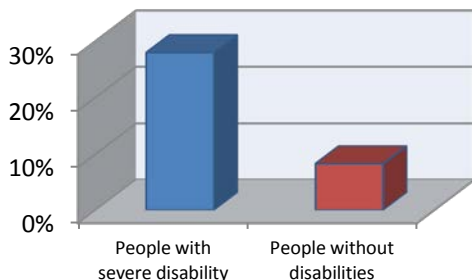
– Scott Hamilton

- ❖ **Employment First is not saying that people with disabilities have to be employed.**
- ❖ **It does; however, presume that all people with disabilities can be employed in a competitive community environment and that such employment is the preferred outcome.**
- ❖ **People with Disabilities...In Regular Jobs with Regular Wages!**

Benefits of Employment for People with Disabilities:

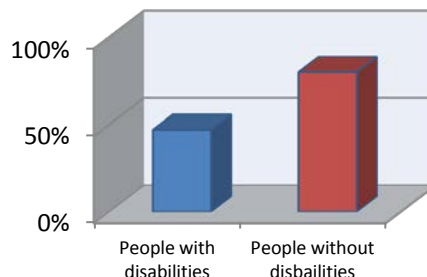
- Economic Self-Sufficiency:
 - "Working age people with disabilities are 2.8 times more likely to live in poverty than those without disabilities."¹ 2011 data for Alaska shows, only 47% of people with disabilities were employed as compared with 80% of the general population.
 - Community employment gives people with disabilities an opportunity to earn a living wage and increase their self-sufficiency and independence.

Incomes Below the Poverty Line: 25-64 year olds



2

Employed in Alaska



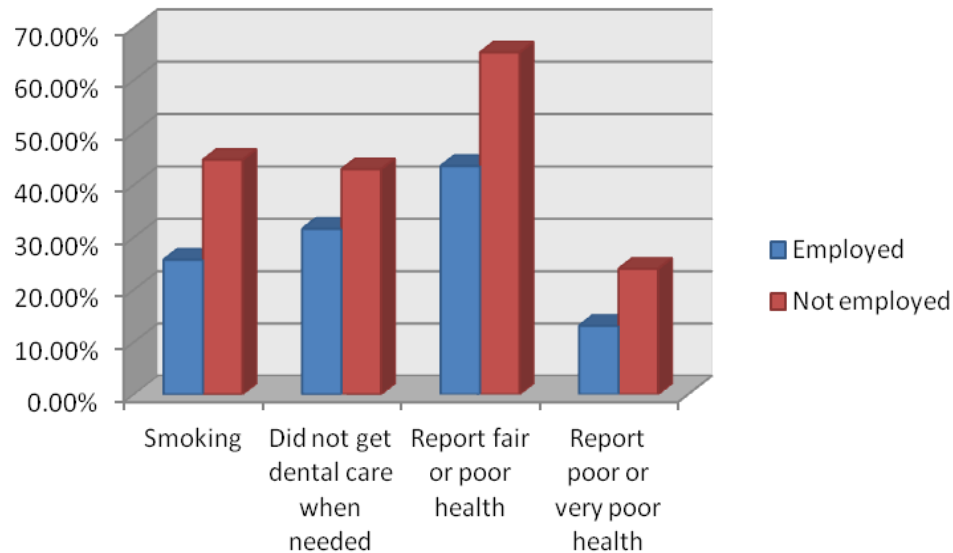
3

¹ U.S. Department of Health and Human Services, Public Health Service . Healthy People 2010 Progress Review: Disability and Secondary Conditions. Washington, DC: Author; 2006.

Benefits of Employment for People with Disabilities Continued...

- **Better Health:** Research finds that people with disabilities "...with any level of paid employment had significantly lower rates of smoking and better quality of life; self-reported health status was significantly higher..." "Employment, even at low levels, was associated with better health and health behaviors..."⁴

Health Related Information of People with Disabilities by Employment Status:



The Facts Regarding Benefits, Services, & Employment:

- **How will my benefits be impacted by employment?**
 - Through Ticket to Work and Medicaid Buy-In programs, people with disabilities can be employed and thus increase their income without losing their Medicaid benefits.
 - It is important to note that Alaska has both of these options for its citizens with disabilities to utilize and become employed while at the same time allowing the reassurance of not losing their benefits.
 - To learn more about these programs, visit <http://jobs.alaska.gov/t2w/> and contact your local Alaska Job Center Ticket to Work Employment Network.
- **Can I get other services besides employment services?**
 - Yes! Employment First does not mean that you can only receive employment services and it does not change or take away services you have, it merely makes employment a prime focus to be addressed and considered for working age Alaskans with disabilities.
- **How can I learn more about becoming employable?**
 - *Partners in Employment* has a free online self-study course developed by the MN Governor's Council on Developmental Disabilities: <http://mn.gov/mnddc/pipm/employment/>
 - "Today, over 105,000 individuals with significant disabilities are experiencing more independence and inclusion through competitive, community-based careers." This can be **YOU!**

*Employment First information listed in this flyer paper was derived from the Association of People Supporting EmploymentFirst (APSE), a national organization with an exclusive focus on integrated employment and career advancement opportunities for individuals with disabilities. For a comprehensive look at the employment first concept, existing legislation and data from other projects across the nation, visit their website at: <http://www.apse.org/>

² World Institute on Disability, A Perfect Fit: People with Disabilities Building Assets. Accessed: August 1, 2011. <http://wid.org/employment-and-economic-equity/access-to-assets/equity/equity-e-newsletter-october-2005/apperfect-fit-people-with-disabilities-building-assets>

³ Source: American Community Survey

⁴ "Employment as a health determinant for working-age, dually-eligible people with disabilities" Hall, Kurth, and Hunt (Disability and Health Journal) 2013.



Employment First Helps Everyone:

Employers

"In a recent national Gallup Poll sponsored by America's Strength Foundation, **92% of the respondents reported they held a "more favorable" or "much more favorable" opinion about companies who hire people with disabilities. 87% of these respondents said they would prefer to "give their business" to companies who hire people with disabilities.**" (*National Survey of Consumer Attitudes* Journal of Vocational Rehabilitation, January 2006, Vol. 24, Issue 1. IOS Press.)

Perhaps, Governor Jack Markell said it best in regards to his initiative, A Better Bottom Line: Employing Individuals with Disabilities, it "...**is not about feel-good social policy. As Greg Wasson, CEO of Walgreens, has told his peers, Walgreens employs people with disabilities not out of charity, but as a business decision.**" For more about A Better Bottom Line: Employing Individuals with Disabilities, visit: <http://ci.nga.org/cms/home/1213/index>

Hiring employees with disabilities is **win-win-win!**

1. It's a **win** for the individual, giving them a career that leads to self-sufficiency.
2. It's a **win** for the business, finding a qualified employee from this largely untapped labor pool.
3. It's a **win** for the American taxpayer; employment not only lessens the amount of money spent on public services for people with disabilities, but simultaneously creates a new taxpayer in the process.

Benefits of Hiring Employees with Disabilities:

1. Recruiting/Hiring: It will allow your company strategic access to the last untapped labor pool in America
2. Job Training: It will allow you to set up and/or access exciting new job training/internship programs
3. Collaboration: It will create opportunities for your company to collaborate with new business partner & customer groups
4. Marketing: It will help you tap this powerful niche market
5. Incentive Planning: It will assist your company in accessing a variety of local, state, and federal grants & incentives

It's important to note that Employment First is not saying that you have to hire people with disabilities. It does; however, presume that all people with disabilities can be employed in a competitive community environment.

Governor's Council on Disabilities and Special Education

The Facts:

1. 56 million people with disabilities plus close family, friends, and supporters comprise almost one-third of the United States population
2. 20 million of 70 million families in the U.S. have at least one member with a disability (1 out of 10 families raising children have at least 1 child with a disability)
3. People with disabilities in the U.S. have an annual spending power of \$796 billion – more than any ethnic minority group (\$200 billion more than the African American community \$300 billion more than the Hispanic community - and this does not take into account family, friends, and supporters)
4. With the baby boom generation retiring and tightening immigration laws, people with disabilities are the last untapped labor source in the country (40% higher unemployment of people with disabilities as compared to those without disabilities)
5. The U.S. Department of Labor's Office of Federal Contract Compliance Programs set a 7% disability hiring goal for federal contracts. <http://www.dol.gov/ofccp/regs/compliance/section503.htm>
6. Targeting the disability community as a customer and labor source is one of the new, rising trends in the American business community. Companies like Walgreens, CVS, Starbucks, MBNA, Cincinnati Children's Hospital, Pepsi, Hyatt, and Bank of America have already initiated large scale outreach efforts to the disability community.
7. Inclusive employment benefits everyone. You might be surprised to learn that:¹
 1. Supported employment participants earn nearly \$600 million annually and pay over \$100 million each year in federal, state, and local taxes.
 2. 52% of participants' primary income is their paycheck - not public assistance or disability benefits.
8. Temple Grandin, in her presentation, "The World Needs All Kinds of Minds," has helped to show the world – and employers – that we need people on the autism spectrum, describing how her ability to "think in pictures" allows her to solve problems that others with "neurotypical" brains might miss. Grandin has authored several books, as well as having her life featured in the movie "Temple Grandin," which won seven Emmy Awards.

Become involved...

Association of People Supporting EmploymentFirst (APSE) HR Connect offers consultation services to help businesses reach out to and partner with one of the strongest labor & customer pools in the country - The Disability Community.

HR Connect Services include:

- Planning a Strategic Disability Community Outreach
- Recruiting in the Disability Community
- Accessible Screening/Interviewing
- Linking to/Developing Job Training Programs
- Disability Awareness Training
- Inclusion of Disability Issues Into Diversity Planning
- Americans with Disabilities Act (ADA) Consultation
- Increasing Supplier Diversity
- Incentive Planning
- Job/Essential Functions Analysis
- Public Relations/Communication to the Disability Community
- Mentoring/Coaching Programs
- Marketing in the Disability Community

For more information on HR Connect services, please contact: James Emmett, HR Connect Director at 574-808-9779 or via email at james@apse.org

**Much Employment First information listed in this flyer paper was derived from the Association of People Supporting EmploymentFirst (APSE), a national organization with an exclusive focus on integrated employment and career advancement opportunities for individuals with disabilities. For a comprehensive look at the employment first concept, existing legislation and data from other projects across the nation, visit their website at: <http://www.apse.org/>*

¹ Partners in Employment Course, The Minnesota Governor's Council on Developmental Disabilities, <http://mn.gov/mnddc/pipm/employment/>

STATE OF ALASKA



Executive Proclamation *by* *Governor Sean Parnell*

WHEREAS, every Alaskan deserves the opportunity to hold gainful and meaningful employment; and

WHEREAS, employment provides opportunities for greater independence, personal responsibility, confidence, and quality of life; and

WHEREAS, it is important that the workplace fosters a culture that accepts, promotes, and values Alaskans who are living with disabilities; and

WHEREAS, the Americans with Disabilities Act is a vital piece of legislation which prohibits the discrimination against people with disabilities in employment, housing, and healthcare; and

WHEREAS, the State of Alaska is committed to being a model employer of people with disabilities. The State's Model Employer Task Force consists of members of the Governor's Council on Disabilities and Special Education, the State Division of Personnel and Labor Relations, the State Americans with Disabilities Act Coordinator's office, and the State Division of Vocational Rehabilitation who work to increase the number of disabled people who apply for State employment and create unique opportunities and training programs that increase workplace success for Alaskans living with disability; and

WHEREAS, we recognize the invaluable contributions people with disabilities make to our workforce and remain dedicated to improving the employment opportunities for those living with a disability.

NOW, THEREFORE, I, Sean Parnell, Governor of the State of Alaska, do hereby proclaim October 2013 as:

Disability Employment Awareness Month

in Alaska, and encourage all Alaskans to acknowledge the tremendous potential of people with disabilities and to hire qualified Alaskans with disabilities.

Dated: September 30, 2013



Sean Parnell

Sean Parnell, Governor
who has also authorized the
seal of the State of Alaska to
be affixed to this proclamation.