

Employment First

State Transformation Guide

10 Critical Areas to Increase Competitive Integrated Employment

Task 2: Federal Policy Analysis

United States Department of Labor

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I. Performance Excellence in Employment

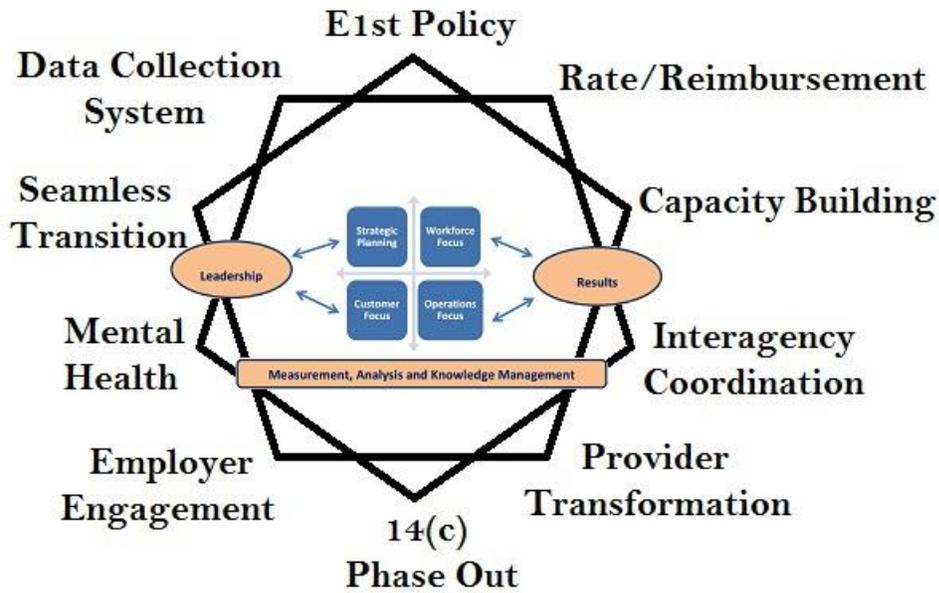
First Systems Change

Employment First refers to the movement by publicly-financed systems to align policies, service delivery practices, and reimbursement structures to commit to integrated employment as the priority option with respect to the use of publicly-financed day and employment services for youth and adults with significant disabilities. The underpinning of Employment First is the presumption that all people with disabilities are capable of competitive integrated employment regardless of the nature of a disability or the degree of support required. Recent federal policy, such as that promoted through the Employment First State Leadership Mentoring Program (EFLSMP), and recent legislation, such as the Workforce Innovation and Opportunity Act (WIOA), are designed to bring this concept closer to reality.

However, significant barriers remain, including building service capacity and restructuring longstanding federal and state policies. To address this need WIOA mandated the creation of the Advisory Committee on Increasing Competitive Integrated Employment for Individuals with Disabilities (ACICIEID). The charge of the ACICIEID was to issue recommendations to Congress on ways to increase employment participation of individuals with intellectual or developmental disabilities or other individuals with significant disabilities. The ACICIEID issued its report to Congress in September 2016. As comprehensive and as thoughtful as the recommendations are, they will require persistent attention over time for them to be adopted and implemented.

Fortunately, systems change does not have to wait for federal legislative or policy mandates. The Office of Disability Employment Policy (ODEP) identified “10 Critical Areas to Increase Competitive Integrated Employment” which focuses on areas identified in the recommendations from the ACICIEID Final Report that fall within the scope of the training and technical assistance provided through the EFLSMP initiative, and creates a holistic approach to statewide systems change across all ten areas over time. **Figure 1** represents the interaction of the 10 areas with activities for pursuing performance excellence in Employment First systems change.

Figure 1. EFSLMP 10 Critical Areas



II. The 10 Critical Areas

Using the 10 Critical Areas as an organizational framework, this Guide presents the rationale for specific ACICIEID recommendations, examples where individual states have made policy changes that relate to these recommendations, and what all states can do to realize the intent of the ACICIEID recommendations. Each of the following sections is designed to be accessed as a stand-alone quick reference for state policy makers, officials, and their partners when planning for Employment First systems change. These sections each offer a succinct roadmap to help states identify areas of activity for planning and applying resources that will lead to Employment First systems change in specific aspects of increasing competitive integrated employment. Taken as a whole, the Guide is intended to promote wide reaching excellence in Employment First implementation in all states.

1. Employment First Policy

ODEP defines competitive integrated employment (CIE) as work paid directly by employers at the greater of minimum or prevailing wages with commensurate benefits, occurring in a typical work setting where the employee with a disability interacts or has the opportunity to interact continuously with co-workers without disabilities, has an opportunity for advancement and job mobility, and is preferably full-time. To date, 46 states have some type of policy, priority or legislation promoting Employment First.

The Association of People Supporting Employment First (APSE) notes the following characteristics of successful implementation of Employment First:

- There are measurable increases in employment of individuals with disabilities within the general workforce, earning minimum wage or more, with benefits.
- Greater opportunities exist for citizens with disabilities to pursue self-employment and the development of microenterprises.
- Individuals with disabilities are employed within the general workforce, regardless of the severity of disability and assistance required.
- Young people with disabilities have work experiences that are typical of other teenagers and young adults.
- 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.
- Individuals with disabilities have increased incomes, financial assets, and economic wealth.
- Individuals with disabilities have greater opportunities to advance in their careers, by taking full advantage of their individual strengths and talents.
- Funding is sufficient so that quality services and supports are available as needed for employment success.
- 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.

An important back drop to the work of the ACICIEID is the evolving federal disability employment policy which presumes that all individuals with disabilities are employable when opportunity and support are available. The notion of the presumption of employability is a prominent underpinning of current “Employment First” initiatives. Advocacy groups, in states, and on the national level, are advocating with legislators and policy makers to promote Employment First.

Three related recommendations from the ACICIEID are presented here. These three recommendations focus on the need for policy, funding and investment in CIE and Employment First on a national scale and within states.

Related ACICIEID Recommendations

1. *The Department of Labor (DOL) should lead a collaboration of federal agencies to identify, align, and develop clear policies and practices across all federal agencies that make CIE a funding priority for all individuals with significant disabilities.*
2. *Congress should provide Centers for Medicare and Medicaid Services (CMS) with capacity-building funding and the authority to maximize opportunities for individuals to have access to highly skilled employment professionals working in community employment agencies, as well as the opportunity to receive services in the most integrated settings and not in settings that have the effect of isolating individuals from the broader community.*
3. *The Department of Health and Human Services (DHHS) (including CMS, Administration for Community Living (ACL), and Substance Abuse and Mental Health Services Administration (SAMHSA)) and RSA, DOL, and the designated intellectual or developmental disabilities (I/DD), Mental Health, and VR agencies in each state, should: promote and fund innovative projects that result in new CIE programs within existing organizations as well as new organizations that provide only CIE services; and facilitate program transition away from sheltered employment and other segregated day services into CIE.*

Intent

The intent of these recommendations is to spur federal and state policy development and CIE implementation that ensures that employment is the first option for adults with significant disabilities and youth in transition from school to employment. It is important to note the importance of the combination of federal intent and initiatives, along with state level intent and initiatives.

One State's Approach: Indiana

Indiana is one of the most recent states to pass Employment First related legislation (2017). This legislation endorses Employment First. It also establishes baseline data regarding the number of individuals with disabilities in competitive integrated employment and sets annual goals for increasing the percentage of individuals with disabilities in competitive integrated employment. It directs state agencies to identify and resolve barriers to employment for individuals with disabilities.

What States Can Do To Realize The Intent Of The ACICIEID Recommendations

- Develop Inter-Agency Agreements and Memorandums of Understanding which are tied to CIE and Employment First.
- Review funding sources and funding structures with intent to create incentives for the implementation of CIE statewide.

- Build and sustain the capacity of employment practitioners by providing regular professional development and training and technical assistance on CIE strategies.
- Review existing and emerging examples of Employment First legislation and policy.
- Work with advocacy organizations and others to develop a statewide plan to adopt and implement Employment First as a statewide priority.

Additional Resources

- [APSE](#)
- [ODEP, US Department of Labor](#)
- [LEAD Center Employment First National Online Platform](#)
- [Indiana Employment First Legislation](#)

2. Rate/Reimbursement

The Centers for Medicare and Medicaid Services, through Home and Community-Based Services (HCBS) waivers, authorizes long-term care services and supports for eligible individuals with significant disabilities in the community rather than in an institutional setting. Various reimbursement rates cover forms of what are called “vocational” service categories under the Medicaid authority and they vary across states. Services in segregated settings are typically funded at a higher rate than community-based services that lead to CIE which in effect incentivizes segregation over integration. Moreover, some states pay service providers for a unit of service by the hour and other states pay by the day. Some states pay by service benchmarks that incentivize CIE (e.g., completing a job development plan), and other states pay a flat fee-for-service rate for any service. These widely inconsistent state funding structures have acted as a barrier to increasing CIE, as service payments under the Medicaid authority do not uniformly result in specific quantifiable employment outcomes.

WIOA intends to minimize the opportunities for individuals with significant disabilities to be served in segregated settings by authorizing changes in the vocational rehabilitation (VR) system to emphasize individualized supported and customized employment service options. Also, the ACICIEID commissioned by WIOA generated recommendations that directly address the need to create rate and reimbursement structures which are more consistent with CIE.

Related ACICIEID Recommendations

DOL should lead a collaboration of federal agencies to identify, align, and develop clear policies and practices across all federal agencies that make CIE a funding priority for all individuals with significant disabilities.

1. *To inform the recommended collaboration effort, federal agencies should:*

- a. *Identify states/state programs that are currently most effective in delivering services resulting in CIE outcomes for people with significant disabilities, and describe the funding strategies they are using.*
- b. *Develop guidance on how to braid, and fully leverage available federal funding to improve employment outcomes and advance economic self-sufficiency for people with significant disabilities. This recommendation is relevant to CMS and its funding of CIE through all Medicaid authorities, including waivers, state plan services, and managed care authorities.... This recommendation is also relevant to the RSA since WIOA requires a focus on CIE and development of strategies that avoid use of center-based, group or other segregated employment settings.*

Intent

The intent of these recommendations is to encourage federal level legislation and policy development that would make it easier for state entities that fund employment related services to put funding structures in place that reimburse employment service vendors for achieving service benchmarks that result in CIE. Two examples follow of what states are already doing regarding funding structures favorable to producing CIE outcomes.

One State's Approach: Tennessee

TennCare is Tennessee's long-term services and supports program under the Medicaid waiver. In 2016, TennCare partnered with Tennessee Department of Intellectual and Developmental Disabilities (DIDD) to design a new program called Employment and Community First (ECF) CHOICES, a program designed to incrementally move the current system of employment services to be more compatible with Employment First goals and to achieve more CIE outcomes. New categories of funding for up to 1,700 individuals new to DIDD services now include supported employment services that feature discovery, job development, job coaching, and career advancement, among other related services that lead to CIE. Services also include Integrated Employment Path Services which are designed to introduce CIE as an individual employment goal for individuals who are uncertain about CIE as an option. ECF CHOICES also features a tiered structure of rate reimbursement to providers in order to account for different levels of support that may be needed by individual job seekers. TennCare plans to incrementally expand ECF CHOICES in future years by decreasing the number of individuals served under the Medicaid 1915c waiver which funds many non-employment related services and by increasing the number served under the Medicaid 1115 waiver which funds pilot and demonstration projects such as EFC CHOICES.

One State's Approach: Arkansas

Arkansas is making changes in its VR rate structures to promote increased CIE outcomes. Arkansas Rehabilitation Services (ARS) recently established procedures that clearly define activities and payment milestones for Supported Employment (SE) services. ARS external vendor fees for SE under these

payment milestones include discovery and job experiences which can be important aspects of job preparation and job placement processes that result in CIE.

What States Can Do To Realize The Intent Of The ACIECID Recommendations

- Based on an assessment of the current effectiveness of the state’s use of Medicaid Waivers, amend current state Waiver plans and/or submit renewal Waiver plans that incrementally increase the availability of services that lead to CIE for eligible individuals.
- Establish a consistent set of rates/reimbursement for both short-term and long-term services related to discovery, career planning, integrated work-based learning experiences, and supported/customized employment.
- Establish new “pay for performance” funding strategies that increases access to CIE, that is, institute an outcome based structure to replace a daily or hourly service delivery structure.
- Financially support training, development, and ongoing technical assistance for direct support staff and providers so they are equipped to provide services consistent with new rate structures and that result in CIE.

Additional Resource

- [Information about the basic intent and structure of the Tennessee Employment and Community First program](#)

3. Capacity Building

Despite the demonstrated capacity of people with significant disabilities to work successfully in CIE, the current service capacity and associated federal and state policies have made it difficult to deliver CIE to those who want or need a job. Few states have been successful in prioritizing funding and delivering community level capacity that results in CIE outcomes.

Building capacity means creating policy and funding priorities that promote CIE along with community agencies with skilled personnel to deliver supported and customized employment to individuals with significant disabilities. Building capacity at the state level will require (but is not limited to): funding priorities; use of outcome data; skilled personnel; and, leadership from federal and state agencies. Specific recommendations from the ACIECID include the following.

Related ACIECID Recommendations

1. *Develop a collaboration of agencies that identify, align, and develop clear policies that make CIE a policy and funding priority with states.*

- 2. Provide capacity building funding and authority to maximize CIE opportunities and develop highly skilled professionals in community agencies to deliver CIE.*
- 3. Promote innovation in delivering CIE, including transformation away from sheltered workshops and segregated day programs.*
- 4. Develop common definitions of CIE and common outcome data.*
- 5. Develop state/local standards or adopt national standards of professional skills and competence to deliver CIE at the community level.*

Intent

The intent of these recommendations is to spur federal and state level legislation and policy development that would make it feasible for state and local entities to increase CIE through the implementation of policies and practice guidelines that deliver CIE locally, across states and across the country. State level initiatives are emerging to build this capacity to deliver CIE. Developing an Employment First policy in a state is a critical step in developing a statewide plan for building capacity to fully implement CIE. Each state's path will be different based on the history, circumstances and opportunities.

One State's Approach: Oregon

Oregon has pursued capacity building strategies to expand and improve CIE. Oregon has developed Employment First policy that makes competitive integrated employment a clear priority. In addition, funding strategies are emerging to promote CIE, including significant investment in personnel preparation and legacy agency transformation from segregated services to CIE.

Oregon has also adopted APSE's Certified Employment Support Professional (CESP) approach for personnel development. Furthermore, Oregon has developed and uses a data collection system, with clear definitions of CIE outcomes, that allows continuous updates on the expansion of CIE and on the reduced reliance on segregated settings.

What States Can Do To Realize The Intent Of The ACICIEID Recommendations

- Develop Inter-agency Agreements and Memorandums of Understanding that are outcome based and prioritize CIE statewide, in order to document capacity building.
- Create policy and guidance for counties and local government agencies to implement CIE.
- Create and utilize a data and information system, with clear definition of CIE outcomes, that provides regular reports on the expansion and improvement of CIE statewide.
- Create pilot programs and local initiatives to expand CIE in community agencies and promote transformation of local agencies from segregated and non-work programs to CIE.

- Implement professional development plans to develop and support a skilled workforce that delivers CIE in local communities.

Implementing these and other outcome based strategies will require interagency coordination and ongoing investment over time, in order to deliver CIE outcomes to people with significant disabilities in any state.

Additional Resources

- [LEAD Center Model Cooperative Agreements between VR Agency and Medicaid, Mental Health, and Intellectual and Developmental Disabilities Agencies](#)
- [Michigan MOU to address CIE approaches for transitioning youth](#)
- [APSE Certified Employment Support Professional](#)

4. Interagency Coordination

Individuals with significant disabilities often require various types of supports and services in pursuit of CIE. They thus come in contact with and are eligible for more than one publicly funded program at a time. Despite the fact that presumed employability of people with significant disabilities is implicit in relevant federal legislation, the current service capacity and associated federal and state policies have made it difficult to make this concept a reality because, among other things, individuals with significant disabilities are often served by multiple programs under the auspices of different government agencies which have dissimilar policies and procedures. Given these circumstances, ACICIEID made several recommendations for improving interagency coordination. Two are presented below.

Related ACICIEID Recommendation

1. *DOL should lead a collaboration of federal agencies to identify, align, and develop clear policies and practices across all federal agencies that make CIE a funding priority for all individuals with significant disabilities.*

To inform the recommended collaboration effort, federal agencies should:

- a. *Identify states/state programs that are currently most effective in delivering services resulting in CIE outcomes for people with significant disabilities, and describe the funding strategies they are using.*
- b. *Develop guidance on how to braid, blend, and fully leverage available federal funding to improve employment outcomes and advance economic self-sufficiency for people with significant disabilities.*

Intent

The recommendations recognize the importance of aligning policy and funding so that effective interagency coordination occurs. The intent of these recommendations is to spur federal level legislation and policy development that would make it feasible for state and local entities to more easily blend resources to achieve a mutual purpose with individuals they commonly serve. Some states have already taken steps that embrace this intent ahead of specific federal policy action in order to promote increased CIE in their states. One example follows.

One State's Approach: Arkansas

In order to establish a coordinated approach to public funding and services to enhance CIE for individuals with significant disabilities who are eligible for more than one publicly funded program, Arkansas has convened several state agencies. The agencies include the state education, vocational rehabilitation, Medicaid, intellectual/developmental disabilities, and mental health agencies. Representatives of these agencies have developed a MOU for the purpose of "effective and continued interagency response to Public Law 113-128, The Rehabilitation Act, as Amended." That is, the MOU represents a coordinated response to the intent of WIOA to increase CIE. In particular, the MOU specifies each agency's responsibility when individuals with significant disabilities are served by more than one publicly funded program administered by the parties to the agreement. The MOU covers referral and information sharing processes, application of respective resources, and roles and responsibilities each agency assumes when serving common customers. The parties to the MOU continue to collaborate on translating the intent of the MOU into field guidance for the parties' respective field staff.

What States Can Do To Realize The Intent Of The ACICIEID Recommendations

- Convene leaders of state agencies which are likely to serve individuals with significant disabilities to determine a common definition and philosophy regarding CIE, what each agency needs from interagency coordination, how their respective resources can be applied to commonly served individuals, and how these resources can be maximized through blending respective resources to meet the mandates of each agency and to increase CIE.
- Based on the above deliberations, establish cross agency and multi-agency MOU which delineates the respective partners' responsibilities for collaborating, sharing resources, and increasing CIE outcomes in the state.
- Develop practice guidelines for partnering agencies' respective field staff for implementing the intent of each MOU.

Additional Resources

- [Model Cooperative Agreements between VR Agency and Medicaid, Mental Health, and Intellectual and Developmental Disabilities Agencies](#)

5. Provider Transformation

State and national implementation of CIE will require community based organizations with the capability to create and provide CIE services that result in employment outcomes. This will require that states fund and support transformation of providers of services to deliver CIE services, including organizations that have in the past primarily offered segregated or non-employment services. Transformation will require skilled personnel and significant change in organizational management and culture. Fundamental change in how providers deliver on their commitment to individuals with disabilities to expand CIE is closely linked to the Capacity Building recommendations in the ACICIEID Report.

Related ACICIEID Recommendations

1. *Congress should provide CMS with capacity-building funding and the authority to maximize opportunities for individuals to have access to highly skilled employment professionals working in community employment agencies, as well as the opportunity to receive services in the most integrated settings and not in settings that have the effect of isolating individuals from the broader community. This funding could be modeled after the state Medicaid Infrastructure Grant (MIG) initiatives.*
2. *The Department of Health and Human Services (DHHS) (including CMS, ACL, and SAMHSA) and RSA, DOL, and the designated I/DD, Mental Health, and VR agencies in each state, should: promote and fund innovative projects that result in new CIE programs within existing organizations as well as new organizations that provide only CIE services; and facilitate program transition away from sheltered employment and other segregated day services into CIE.*
3. *Provide technical assistance to states through internal federal agency expertise (like the Office of Disability Employment Policy's Employment First State Leadership Mentor Program) and/or funding for the use of external expertise from other states and programs that are successfully financing and implementing CIE strategies. Technical assistance should include funding strategies, capacity-building strategies at the state and provider level, and professional competence in delivering CIE.*

Intent

The intent of these recommendations is to ensure the community level capacity to provide CIE and to transform organizations from providers of segregated and other day services, to organizations that are skilled in delivering CIE outcomes. This will require significant investment in employment specialist

personnel as well as significant investment in organizational change in many community rehabilitation providers.

One State's Approach: Ohio

In Ohio, teams were developed and supported through EFSLMP. Ohio was one of 16 states selected to participate in EFSLMP. Through this program Ohio was able to provide technical assistance to eight agencies across the state to build capacity for best practices regarding community based services and integrated, competitive employment. Teams worked with subject matter experts to identify areas for improvement and develop strategic plans. They received on site visits, training, and tools to assist in creating their final plan. Ohio worked with providers of services as well as county boards to develop individualized transformation plans unique to the circumstances of each locale.

What States Can Do To Realize The Intent Of The ACICIEID Recommendations

- Develop Inter-agency Agreements and Memorandums of Understanding (MOUs) that promote provision of CIE and transformation of organizations to provide CIE.
- Review all CIE funding sources with the intent of creating incentives for delivering CIE outcomes.
- Invest in personnel preparation to create and sustain a skilled workforce that provides CIE.
- Provide incentive grants or other financial resources to organizations to expand CIE services and outcomes and/or to transform from providing legacy services to CIE services and outcomes.

Additional Resources

- [The Office of Disability Employment Policy \(ODEP\), in the US Department of Labor has recently issued an extensive Provider Transformation Manual](#)
- [Ohio Employment First Project Transformation](#)
- [Washington Initiative for Supported Employment](#)

6. 14(c)Phase Out

Despite the demonstrated capacity of people with significant disabilities to work successfully in competitive integrated employment (CIE), an estimated 228,600 people with intellectual or developmental disabilities (I/DD) and other significant disabilities are authorized to be paid subminimum wages under Section 14(c) certificates issued by DOL Wage and Hour Division (WHD). The majority of these individuals are working in congregate work centers, sheltered workshops, or other congregate working situations. Facility-based services, which primarily offer an accompanying subminimum wage when work is available, have often led to the conclusion that this type of work and/or productivity is the most that can be expected. Thus, one result of subminimum wage employment is a culture with a low expectation for CIE.

ACICIEID recognized that addressing the disparity between policy intent for increasing CIE and current practice will require: a multi-year, well planned phase-out of Section 14(c) of Fair Labor Standards Act (FLSA); improved oversight of such certificates; and capacity building to develop CIE opportunities.

Related ACICIEID Recommendations

1. *Congress should amend Section 14(c) of FLSA to allow for a well-designed, multi-year phase-out of the Section 14(c) Program that results in people with disabilities entering CIE.*
2. *WHD should engage in stronger enforcement of 14(c) certificates and should use a strict standard for issuance or renewal of 14(c) certificates only when “... necessary in order to prevent the curtailment of opportunities for employment ...”*
3. *Federal agencies that have responsibility either through WIOA or other federal initiatives to increase CIE for people with significant disabilities – including the DOL, the U.S. Departments of Health and Human Services and Education, and the Social Security Administration -- should coordinate provision of technical assistance resources for states to encourage transforming 14(c) certificate holders to employment agencies that offer CIE.*

Intent

The intent of these recommendations is to develop the capacity to deliver CIE in communities nationwide that creates individualized matches of the capabilities and interests of individuals with disabilities with appropriate jobs. While improved oversight of sub-minimum wage certificates is needed, states will also benefit from technical assistance to develop the community level capacity to implement the methodologies of CIE.

One State’s Approach: Delaware

The state of Delaware has prepared an analysis of the use of sub-minimum wages in their state. This analysis includes information about the labor participation rate of individuals with disabilities and wages earned, as well as information about the number of agencies that pay sub-minimum wages in the state. It also identifies the extent of the use of sub-minimum wages and the number of people with disabilities that are being paid such wages.

This analysis discusses the possible phase-out of the use of 14(c) certificates in the current national context of WIOA and HCBS Settings Rule, as well as the emerging voice of self-advocates with disabilities.

Delaware is also reviewing information from states that have eliminated the use of 14(c) certificates especially related to:

- eliminating or reducing these certificates

- the need to re-examine Medicaid rates in such a transition
- review of possible transformation strategies for organizations that currently pay sub-minimum wages
- the need for review of the circumstance of agencies currently engaged in contracts through the Javits-Wagner O’Day Act (AbilityOne)
- statewide discussion and dissemination about expectation of the capabilities of individuals with disabilities

What States Can Do To Realize The Intent Of The ACICIEID Recommendations

- Reduce reliance on sub-minimum wages by developing the community scale capacity to properly implement the methods of CIE.
- Collect data and report the current use of sub-minimum wages, including information about range of sub-minimum wages paid and the duration of such wage payments.
- Engage individuals with disabilities and families about CIE alternatives and possible paths to phasing out the use of sub-minimum wages.
- Work with community rehabilitation programs that currently pay sub-minimum wages to individuals with disabilities to develop plans for improved job matching of jobs and individuals, and for improved training and job supports.
- Engage policymakers and legislators about strategies to reduce reliance on the use of sub-minimum wages.
- Create a statewide plan for the reduction of the use of subminimum wages, and a well-designed phase out of these certificates over time.

Additional Resources

- [Maryland legislation phasing out the use of subminimum wage](#)
- [National Council on Disability Report on Subminimum Wage and Supported Employment](#)
- [New Hampshire legislation on subminimum wage](#)

7. Employer Engagement

The employment success of individuals with significant disabilities is dependent on effective employer engagement. Employers’ hiring activity is mostly related to operational or revenue objectives. It is therefore useful to frame employer engagement in disability employment initiatives in ways that correspond to employer perspectives and to express it in employer-centric terms. Contemporary messaging would be stronger if it showcased specific outreach and recruitment strategies used by such companies that have worked to change corporate policies directed to the employment of people with disabilities. There is also a need to ensure that disability employment organizations and employment

service personnel receive preparation and training on how to effectively engage businesses by using better messaging, and translating effective methodology such as supported and customized employment into benefits for prospective employers of individuals with significant disabilities.

The need, then, is to improve both outreach to employers about disability employment and training to employment service professionals to better engage employers, as recognized by ACICIEID in its recommendations.

Related ACICIEID Recommendation

- 1. Congress should provide funding to DOL to develop and disseminate public service announcements and other media resources in order to conduct a dynamic and impactful national marketing campaign directed to businesses. The campaign must target employers of all sizes that promote business-to-business communication, highlight the impact and benefits to business, and highlight the accomplishments of people with I/DD and significant disabilities working in CIE.*
- 2. Congress should provide funding and mandates to the U.S. Department of Education (ED) and DOL to develop training that includes certification requirements that will be presented in a web-based centralized format for all employment services personnel who work within the public workforce system with businesses and individuals with I/DD and other significant disabilities.*

Intent

These recommendations intend to build from ongoing activities to educate businesses about disability employment, with added emphasis on individuals with I/DD and other significant disabilities. It specifically recognizes that effective marketing to promote disability employment includes businesses that have successfully recruited and hired employees with disabilities sharing their experiences with other businesses. It also recognizes that employment services personnel need to be prepared to effectively engage employers.

One State's Approach: Iowa

Iowa has taken a multi-pronged approach to linking employer engagement activities with the state's Employment First initiative. First the Iowa Vocational Rehabilitation Services (IVRS) has a designated Business Consultant to help regional and local groups link with businesses and with business groups such as Chambers of Commerce. Second, IVRS has created a procedure for conducting a labor needs analysis in companies so as to identify customized job opportunities for individuals with significant disabilities. Third, in order to learn about business labor needs and to provide connections to disability employment initiatives IVRS has a representative on state-wide "Sector" Boards, bodies comprised of companies from specific industry sectors such as health care, finance, manufacturing, etc. Fourth, coalitions of employment service provider organizations have formed in some regions for coordinated employer outreach and development. The intent of these coalitions is to create links to local employers through a

single point of contact process for employment service providers, share employment opportunities and specific labor needs of employers throughout the region, and conduct labor needs analysis detailed enough to identify customized employment opportunities for targeted job seekers. These coalitions also organize joint employer engagement training as well as recruitment of business mentors to advise the coalitions.

What States Can Do To Realize The Intent Of The ACICIEID Recommendations

- Develop and expand business-to-business messaging about the operational and revenue benefits of supported employment, customized employment, and other methods of effecting employment of individuals with significant disabilities.
- Invite reputable employers and representatives of business organizations such as Chambers of Commerce and the Society of Human Resource Managers to participate in committees or workgroups that are focused on increasing CIE outcomes and employer engagement in the state.
- Establish disability employment marketing campaigns that are developed in collaboration with business representatives who have successful disability inclusion initiatives and with business leadership organizations such as affiliates of the USBLN.
- Encourage service innovation and establishment of employer-driven models, such as Project SEARCH, that feature employment opportunities for individuals with significant disabilities.
- Establish cross agency training to disability employment service personnel on employer engagement strategies that include company labor needs analysis that yield customized job opportunities.
- Consider certification requirements for disability employment service personal that builds on existing standards, such as those established by APSE's CESP exam.

Additional Resources

- [Iowa Vocational Rehabilitation Business Services](#)
- [Employment First Information Brief: Perspective of Employers on Customized Employment](#)

8. Mental Health

Throughout ACICIEID's Final Report, the recommendations are intended to apply to not only individuals with intellectual/developmental disabilities, but also to those with other significant disabilities, including mental health disabilities. Consequently, the recommendations most often include reference to federal and state agencies that have direct responsibility for people with serious mental illness, SAMHSA and the state mental health agencies among them. However, people with serious mental illness often are underserved in disability employment programs due to unique support needs. Planning for job search and support must often take into consideration other non-work support needs such as clinical services, wraparound supports, and income support services. Recognizing the unique supports often required by

people with serious mental illness as they pursue CIE, specific ACICIEID recommendations address this need.

Related ACICIEID Recommendations

1. *CMS should issue specific guidance on how to use the various Medicaid authorities (especially Section 1905(a) of the Social Security Act) for funding supported employment for people with serious mental illness, as many of the Medicaid authorities commonly used to fund supported employment for other populations are not always a viable option for this population.*
2. *DHHS, in collaboration with the DOL, ED, Department of Transportation (DOT), Housing and Urban Development (HUD), Justice (DOJ), and the Social Security administration (SSA), should convene a cross-agency working group to provide policy guidance and technical assistance on integrated day services and other wraparound supports that can help people with significant disabilities access CIE. ...the policy guidance should:*
 - a. *Describe how funding sources and service mandates can be coalesced across systems to ensure continuity in providing the seamless wrap-around supports needed to maximize the employment and earning potential of individuals with significant disabilities.*

Intent

Increasing CIE for people with serious mental illness will require not only identifying specific application of Medicaid and other funds, but it will also require this be done in conjunction with other services necessary for working age people who use mental health supports for other life needs that must be addressed in order to pursue employment.

One State's Approach: North Carolina

As a result of an *Olmstead* settlement to serve more people in integrated community settings, North Carolina has set a goal to expand supported employment services to 2,500 individuals with serious mental illness by 2019. The North Carolina approach includes 30 service teams dispersed throughout the state. Each team is provided technical assistance in delivering employment services based on the Individual Placement and Support (IPS) model, an evidenced-based approach to supported employment for people who have serious mental illness. IPS features a research tested fidelity scale which is used to evaluate supported employment services delivered by each of the service teams and to guide the technical assistance provided to the teams.

Funding for the supported employment services includes a combination of Medicaid waiver (1915b and 1915c) funds, state vocational rehabilitation services, and dedicated state allocations. In addition, the state is committed to ensure that other non-work services, such as day habilitation services, are provided in natural environments and that clinical services augment and support work as a treatment adjunct.

What States Can Do To Realize The Intent Of The ACICIEID Recommendations

- Examine how other states have applied a combination of Medicaid, vocational rehabilitation and other funds to supported employment services for people with serious mental illness. In addition to North Carolina, Georgia and Tennessee have models for applying supported employment funding that feature combined or braided resources from multiple agencies.
- Include specific application of Medicaid waivers to employment services to people with serious mental illness in state plans.
- Clarify that the purpose of integrated day and wraparound supports is to maximize (as opposed to displace or limit) CIE and issue guidance.
- Initiate pilots of supported employment services that use evidence-based practices and that use funding structures that reflect CIE as a priority.
- Partner with state agencies and community mental health centers to pilot a blended IPS-customized employment model for youth and adults with significant disabilities that have co-occurring disorders.

Additional Resources

- [U.S. Department of Justice Olmstead Settlement Agreement with North Carolina](#)
- [More information about North Carolina's supported employment activities for people with serious mental illness](#)

9. Seamless Transition

The culmination of publicly supported education for students with disabilities can and should be a competitive integrated job and a clear career path. The ideal would be for these youth to move from being a student to being an employed adult – with no interruption of service, support, and employment status after school exit. That is, their transition would be seamless.

Seamless transition can be a viable expectation when there are ample opportunities for students to experience work while in high school and when there is collaboration between schools and adult service systems and agencies, including VR, I/DD programs, mental health programs, and adult employment service agencies. Recognizing this, the ACICIEID made several recommendations for youth to effectively transition to adult employment relating to early work experiences and systems collaboration for seamless transition that result in competitive integrated employment (CIE). Two of these are presented below.

Related ACICIEID Recommendations

1. *Congress should provide limited authority to the four relevant federal agencies – ED (RSA, OSEP, and the Office of Career, Technical, and Adult Education-OCTAE); HHS (Centers for Medicare & Medicaid-CMS, Administration for Community Living-ACL, Substance Abuse and Mental Health Services Administration-SAMHSA); the U.S. Department of Labor (DOL) (Employment & Training Administration-ETA; Office of Disability Employment Programs-ODEP); and SSA – to waive requirements that make it difficult for states to use and braid funds targeted at transition-age students with significant disabilities...*
2. *Congress should require these federal agencies to collaborate in order to develop opportunities for states to support local pilots that can demonstrate success when provided the opportunity to combine resources across federal programs for implementing ambitious yet achievable plans for comprehensive reform and create coordinated, seamless and sustainable CIE outcomes and advance economic self-sufficiency for youth with significant disabilities.*

Intent

The intent of these recommendations is to spur federal level legislation and policy development that would make it feasible for state and local entities to increase CIE through the implementation of policies and practice guidelines that promote seamless transition. Some states have already taken steps that embrace this intent. One example is provided below.

One State's Approach: Michigan

Michigan has actively pursued improvements in transition service delivery to make it more aligned with the tenets of Employment First and to improve CIE outcomes for youth with significant disabilities. Two activities in particular illustrate the state's direction in this regard. First, it convened a multi-agency planning group that produced a detailed Memorandum of Understanding (MOU) on the Transition to Employment of Students and Youth with Disabilities. The vision of the MOU is: "Through strong interagency collaboration, students with disabilities will exit school with competitive integrated employment and/or a connection to post-secondary education intended to lead to employment." Key elements of the MOU include how the parties to the agreement will:

- work collaboratively to improve the transition and employment service system so that it will produce increased competitive integrated employment outcomes
- promote and encourage coordinated transition and employment services at the local and state levels
- develop and provide common training and professional development opportunities for transition and employment services personnel, and
- share data on services and outcomes

The parties to the MOU include: Michigan Department of Education, Michigan Rehabilitation Services, Michigan Bureau of Services for Blind Persons, Michigan Behavioral Health and Developmental Disabilities Administration, Michigan Workforce Development Agency, and Michigan Developmental Disabilities Council. Michigan's Lieutenant Governor also signed the MOU to demonstrate support from the Governor's office.

Second, the collaborating agencies of the MOU initiated a seamless transition pilot in four locales. These sites received technical assistance in organizing local teams and local services in order to develop a sustainable seamless transition approach to serving students with significant disabilities. Each pilot focused on interagency collaboration so that students would experience work and ultimately exit schools already employed in a competitive integrated job. Michigan plans to expand the number of pilot sites and use the knowledge derived from local experiences to develop future state-wide policy, guidance and practice.

What States Can Do To Realize The Intent Of The ACICIEID Recommendations

- Develop Inter-agency Agreements and Memorandums of Understanding which are tied to the outcomes each party wishes to achieve. These agreements should include elements related to collaboration parameters, combining resources for transition services delivery, coordinating professional development, and other related activities which will increase service outcomes for parties to the agreements and increase CIE outcomes for commonly served students and youth.
- Complete policy development and initiate in-the-field guidance for the application of the state vocational rehabilitation Pre-Employment Training Services (Pre-ETS) so Pre-ETS funds are spent with the best effect for assuring exposure of students to a variety of work experience and employment opportunities.
- Implement local pilots that illustrate the circumstances under which seamless transition can be implemented and from which other localities can learn.
- Build the capacity of local transition and employment practitioners by providing regular professional development and training in CIE strategies in combination with seamless transition pilots.

An important adjunct to all of these activities will be multi-agency collaboration to promote and support family education and about the value of CIE and about how to support student and youth pursuit of CIE.

Additional Resources

- [Michigan's Super Memorandum of Understanding](#)
- [LEAD Center Model Cooperative Agreements between VR Agency and Medicaid, Mental Health, and Intellectual and Developmental Disabilities Agencies](#)

10. Data Collection Systems

Data and accurate information about progress in the implementation of CIE are needed as states nationwide work to improve the employment participation rate of individuals with significant disabilities, as intended in WIOA. It will be important, at both the state and national levels, to have common definition of CIE, as well as data and information systems that collect and report a number of important pieces of information about employment and integration outcomes. In addition, it is important to differentiate the outcomes of CIE in contrast to other day services or segregated services or sheltered workshops. This will be challenging for states that tend to lump together services under HCBS, making it difficult to differentiate employment from other services. This reinforces the need for implementing a robust data collection and reporting system, as ACICIEID recognized in its recommendations below.

Related ACICIEID Recommendations

1. *Federal agencies that provide funding for people with disabilities to obtain CIE should establish a common definition of CIE and develop common outcome data points, on which states that receive funding must regularly report, to ensure accountability.*

Recommendation Detail

- a. *The common working definition of CIE should be derived from the WIOA and be consistent with the goals described in WIOA and the Americans with Disabilities Act, as interpreted by the Supreme Court's decision in Olmstead, and require that the "employer of record" be the same as for people without disabilities and not the service provider.*
- b. *The task of defining and using a common working definition of CIE should be led by DOL and include representatives from ED, HHS, SSA, and DOJ.*
- c. *The task of developing outcome data requirements should be led by CMS and include other relevant agencies in HHS, DOL, ED and SSA.*
- d. *Regular collection and reporting by states of individual outcome data should be required to ensure accountability of funding and, at a minimum, include: the number of people employed in jobs that meet the definition of CIE, including that the "employer of record" be the same as for people without disabilities and not the service provider; wages earned; hours worked; length of time in CIE; and, benefits (e.g., paid days off)*
- e. *Additional consideration should also be given to collecting data on:*

Income level over time; taxes paid; and, reduction of public income support (cash benefits from SSA, Temporary Assistance for Needy Families, Supplemental Nutrition Assistance Program, and the reduction of medical coverage resulting from primary insurance through employers)

- f. *The studies that link employment to other social and health benefits for people with serious mental illness have been helpful in demonstrating the importance of employment. Federal*

agencies, including the National Institute on Disability, Independent Living, and Rehabilitation Research, SSA, and ODEP, should study and/or provide support for studying the impacts of employment on all people with significant disabilities. The studies should look at the impact of employment on:

- i. utilization of healthcare services, including long-term services and supports, and utilization of acute services such as hospitals, emergency rooms, and crisis services,
 - ii. housing economic and stability,
 - iii. use of public benefits, including public income supports, and
 - iv. employer-based health benefits that offset public health benefits.
- g. Federal agencies that provide funding for CIE should provide guidance, technical assistance and resources to states for implementing data systems that will collect and report the minimum individual CIE data including number of people employed in CIE, wages received, hours worked and paid days off. Congress should ensure states have sufficient funding to build effective data collection infrastructures.*
- h. Federal agencies should ensure that state-level data and outcomes are publicly reported in consumer friendly and accessible formats so that the impact of CIE can be assessed and people with disabilities and their families can make good decisions about choosing the best pathway to employment.*

Intent

The intent of these recommendations is to ensure accurate information about state and national progress in the implementation of CIE. Accurate information about progress, and difficulties in implementation can provide policy makers with information about design and provision of training and technical assistance to providers of employment services to improve the employment participation rate of individuals with significant disabilities.

One State's Approach: Tennessee

The state of Tennessee has established a dashboard to share available data within its Employment First Partnership. The purpose of this data system is to gather and report data relevant to employment of people with disabilities. The dashboard will also track and display progress in moving the needle on important indicators for Employment First Tennessee. Early on, Employment First partners recognized that identification of common metrics is critical to achieving collective impact. One such metric that will be defined immediately is to set a targeted rate for employment of people with disabilities. This will be used to measure the progress of Employment First partners. Other metrics included are: the number of districts supporting students to pursue Occupational Diplomas; the number of youth no longer in secondary school who are enrolled in higher education, competitively employed and/or in other postsecondary education or training within one year of leaving high school; the number of businesses

that employ persons with disabilities in Tennessee; and, the number of people with a disability and student interns employed by the Tennessee state government.

What States Can Do To Realize The Intent Of The ACICIEID Recommendations

- Develop Inter-agency Agreements and Memorandums of Understanding that provide common definition of CIE, based on WIOA, and establish a statewide data system about employment and day service outcomes. This should include all state agencies involved in CIE and WIOA.
- Create CIE outcome reports, at least annually that are disseminated statewide to all stakeholders, including people with disabilities, family advocacy groups, providers of employment services, as well as state policy makers and other interested stakeholders.

Additional Resources

- [Lead Center Employment First National and State Profiles](#)
- [Indiana Day and Employment Services Outcome System](#)
- [Tennessee Employment Data System](#)

III. Appendices

Appendix A–Acronyms

ACICIEID - Advisory Committee on Increasing Competitive Integrated Employment for Individuals with Disabilities
ACL - Administration for Community Living
APSE - Association for Persons Supporting Employment First
ARS - Arkansas Rehabilitation Services
CESP - Certified Employment Support Professional
CIE - Competitive Integrated Employment
CMS - Centers for Medicare and Medicaid Services
DHHS - Department of Health and Human Services
DIDD - Department of Intellectual and Developmental Disabilities
DOJ - U.S. Department of Justice
DOL - U.S. Department of Labor
DOT - U.S. Department of Transportation
ECF - Employment and Community First
ED - U.S. Department of Education
EFSLMP - Employment First State Leadership Mentoring Program
FLSA - Fair Labor Standards Act
HCBS - Home and Community Based Services
HUD - Housing and Urban Development
I/DD - Intellectual or Developmental Disabilities
IPS - Individual Placement and Support
IVRS - Iowa Vocational Rehabilitation Services
MIG - Medicaid Infrastructure Grant
MOU - Memoranda of Understanding
ODEP - Office of Disability Employment Policy
Pre-ETS - Pre-Employment Transition Services
RSA - Rehabilitation Services Administration
SAMHSA - Substance Abuse and Mental Health Services Administration
SE - Supported Employment
SSA - Social Security Administration
USBLN - US Business Leadership Network
VR - Vocational Rehabilitation
WHD - Wage and Hour Division
WIOA - Workforce Innovation and Opportunity Act