

**TESTIMONY TO THE ADVISORY COMMITTEE ON INCREASING COMPETITIVE
INTEGRATED EMPLOYMENT FOR INDIVIDUALS WITH DISABILITIES**

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**SUBMITTED BY ESMÉ GRANT GREWAL, SENIOR DIRECTOR OF GOVERNMENT RELATIONS,
ANCOR**

Dear Distinguished Members of the Advisory Committee,

Thank you for providing the American Network of Community Options and Resources (ANCOR) with the opportunity to submit public testimony on the issue of employing individuals with disabilities. ANCOR is a national trade association representing more than 1,000 private providers of community living and employment supports and services to hundreds of thousands of individuals with disabilities, primarily individuals with intellectual, developmental and other significant disabilities. Our prime goal is to be the indispensable leader, resource and advocate for a diverse private disability services network that ensures full citizenship and engaged community participation for people with disabilities of all ages. In our brief testimony today, I would like to highlight not only our organization's support for the work that the Advisory Committee is doing, but also alert you to an issue we find will inhibit our members from achieving the goals we all share.

First, I want to share that ANCOR was pleased to see the interim report released by the Advisory Committee in September and we are looking forward to the final report and recommendations. This year, I am proud to announce that ANCOR's Government Relations' priorities, unanimously approved by our Government Relations members across the country, include the goal of: *Supporting policy that develops and supports daily life functions of people with disabilities with a focus on competitive, integrated employment opportunities that support implementation of the Workforce Innovation and Opportunity Act.*

ANCOR and its more than one thousand agency members across the country remain committed to the continuing transition, improvement, and provision of quality employment supports for people with intellectual and developmental disabilities. We are proud of the role that providers play in ensuring individuals the rights they are guaranteed by the Americans with Disabilities Act (ADA) and we look forward to assisting with the implementation of WIOA in addition to the recommendations made by the Committee which continue the values and goals of the ADA.

While we are moving forward at a rapid pace to create meaningful change in service provision, these services become at risk as other Department of Labor (DOL) priorities do not take deliberate steps to align with our goals for employment of people with disabilities. Specifically, we are concerned that the finalization of the impending DOL Overtime Exemption Rule has not appeared to give a great deal of consideration to its impact on the Medicaid HCBS programs under which our members provide employment support for individuals with disabilities. This rule, which significantly extends overtime eligibility, though well intentioned and reflecting the values we strongly support, will have a major impact on Medicaid HCBS programs since it does not account for any additional Medicaid funding to support it. Our expert data indicates that the increased cost of compliance with the DOL rule as proposed is quite significant (over 1 billion annually). As we work to improve, individualize, and vary services, this pending rule, as applied to our programs, will create an environment where budgets are tightened, employees are decreased leading to less individualized support, and will ultimately

disrupt the needed evolution of services. Labor think tanks and former DOL officials have responded to this issue saying that most of our nonprofit agencies do not need to comply with the Fair Labor Standards Act (FLSA) so the new rule should not impact us. However, these broad assumptions are not true. Most of our members are nonprofits who indeed must comply with the FLSA and so this messaging has only served to further distance the urgency and attention needed to be paid to this issue.

Ultimately, the message we would like to leave with the Advisory Committee today is that while we sincerely support and applaud the significant and important work that you do, we are disappointed in how other Department of Labor priorities seem to unknowingly, but realistically interrupt the progress we jointly seek to achieve. Truthfully, the implementation of the DOL overtime rule as proposed, without any additional Medicaid funding in place for implementation, will slow down the advancements in integrated employment that our members can make. We implore the Advisory Committee to urge Secretary Perez to strengthen the much needed relationship and dialogue now between his agency with leaders from the Centers for Medicare and Medicaid Services (CMS) to ensure that all labor policies, not just those expressly involving people with disabilities, take into account the impact on Medicaid programs. Greater alignment between these two agencies will serve people with disabilities well and help us achieve the employment goals that we have long struggled to realize.

We remain committed to competitive, integrated employment provision and as aforementioned, to the constant evolution of the services that we provide. We believe that with greater understanding of how many of these services are provided through Medicaid, through a deepened relationship between CMS and DOL, that only good policy can result. Thank you for helping to be our voice on this particular issue. We remain grateful for your volunteerism, your commitment, and your quality work on these issues and thank you for receiving our testimony today.

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