emp1oyment

ODEP
Office of Disability
Employment Policy

EconSys

Employment First:

Shifting the Focus of Policy, Practice & Funding to Promote Optimal Socioeconomic Advancement of Individuals with Disabilities

EMPLOYMENT 1ST STATE LEADERSHIP MENTORING PROGRAM

MEETING OF THE ADVISORY COMMITTEE TO INCREASE COMPETITIVE INTEGRATED EMPLOYMENT OF INDIVIDUALS WITH DISABILITIES

JULY 13-14, 2015

ODEP Definition of Employment First

The expectation that public systems **align policies, practices, and reimbursement structures** to foster competitive integrated employment as **the priority option** in publicly-financed day and employment services for youth and adults with significant disabilities.

Employment First in Action

Competitive integrated employment is what we expect first and plan to achieve first rather than planning for something less because we assume integrated employment is not possible.

—Linda Vegoe, WI Rehabilitation Council

Employment Assumed

Employment as the anchor

in a meaningful day and
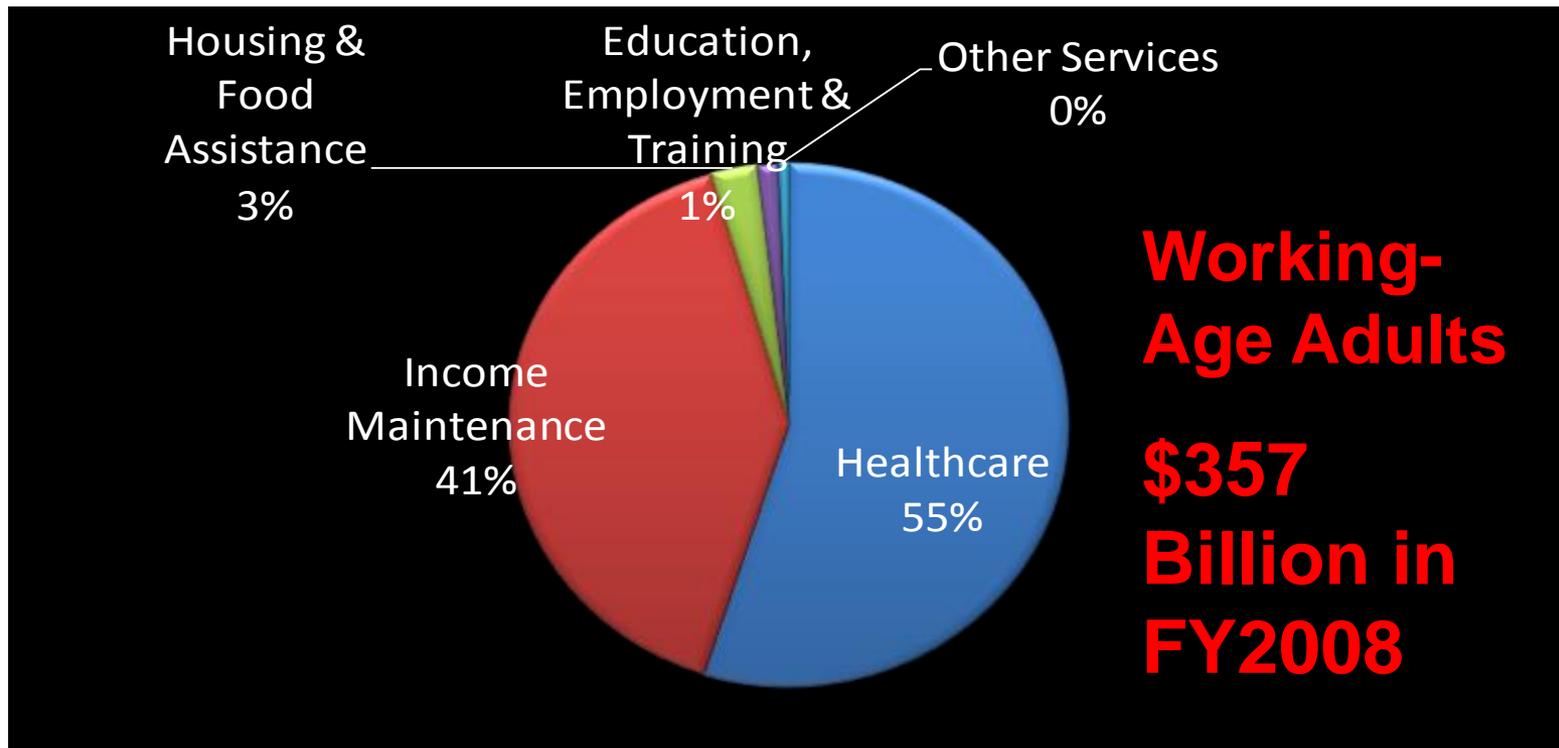
a meaningful life.

—Pat Rogan, Indiana University

Employment First

- The concept is thirteen (13) years old.

- Many states made false starts.

- Real challenge: **How to distinguish state *Employment First* efforts that will create real systems change from those that appear substantial but lack the power to stimulate real systems change.**

Long History of Investing in Unemployment and Poverty

Housing & Food Assistance 3%
Education, Employment & Training 1%
Other Services 0%
Income Maintenance 41%
Healthcare 55%

Working-Age Adults

$357 Billion in FY2008

[1] **Adapted from Livermore, Stapleton and O'Toole (2011, Health Affairs)**

Biggest Barriers to E1st

~~Employers~~

~~Economy~~

~~Funding~~

Complacency

Inertia

Competing Priorities
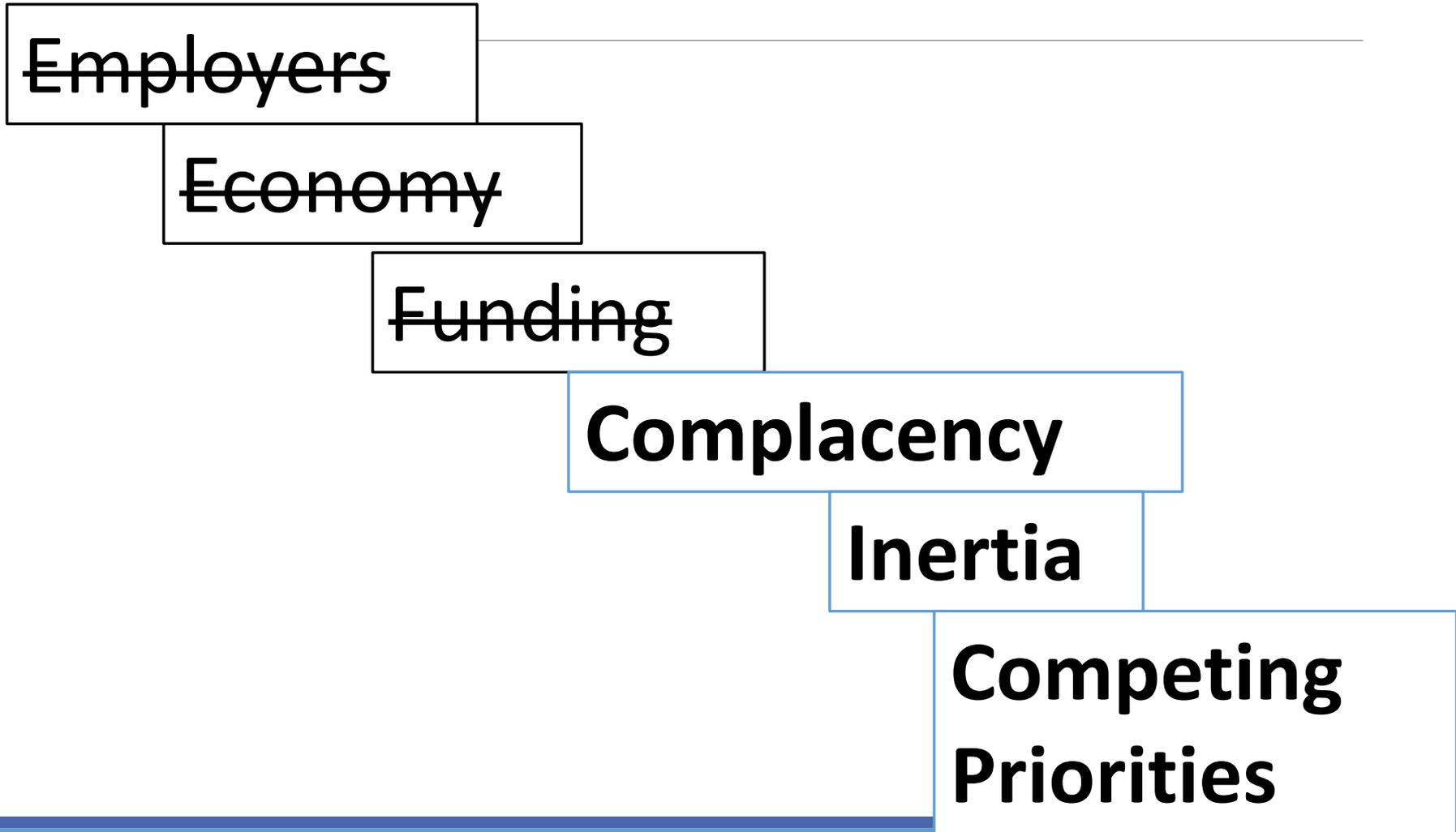
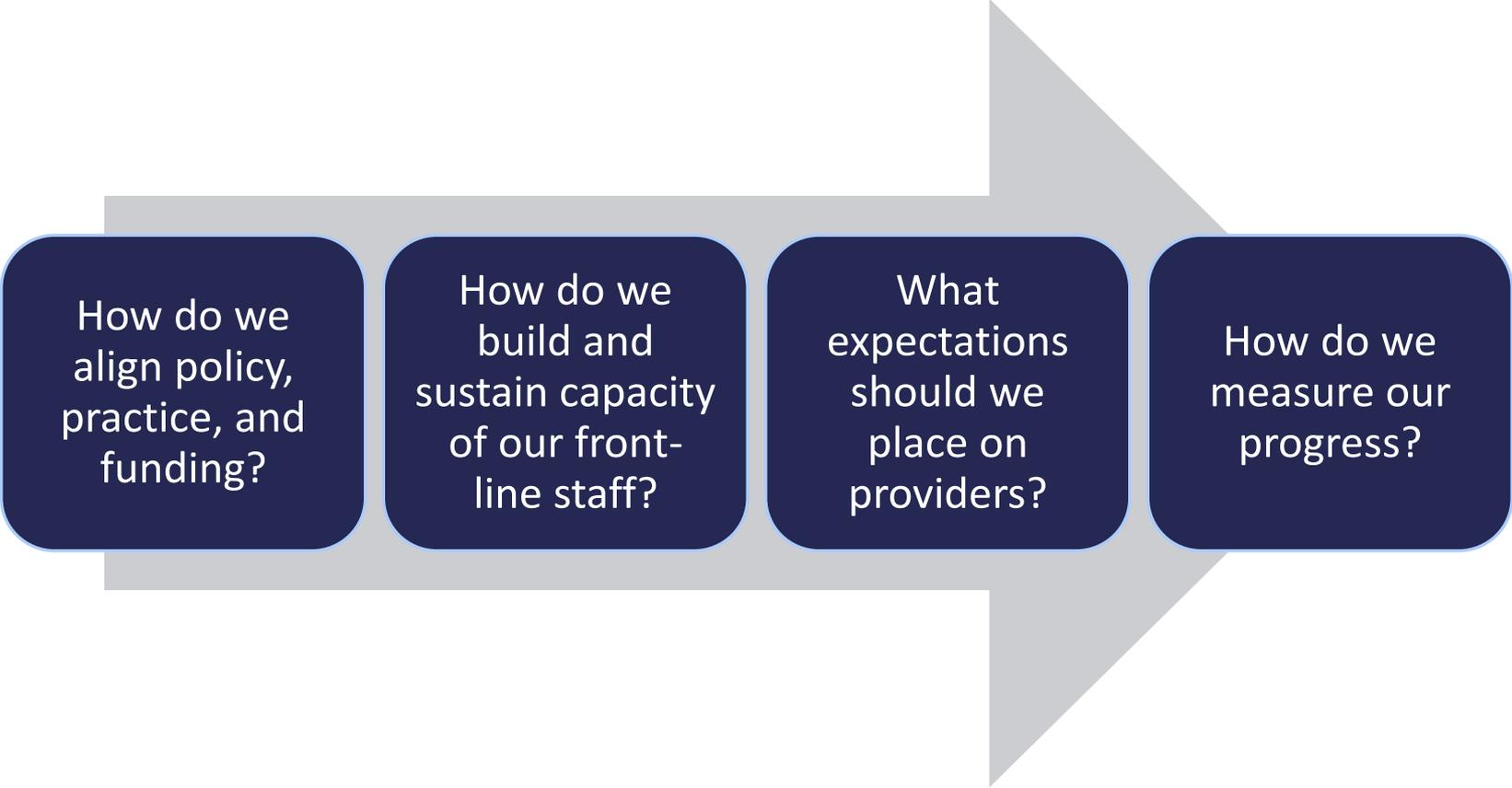# What States Are Learning:
Whatever you think you need to do…

- Adopting E1st Policy

- Offering and discussing CIE option in planning

- Adding services to menu

- Raising rates for CIE services

- Provider training and TA

You'll need to do more.

EFSLMP: *Helping States Ask the Tough Questions in their Systems Reform Efforts*
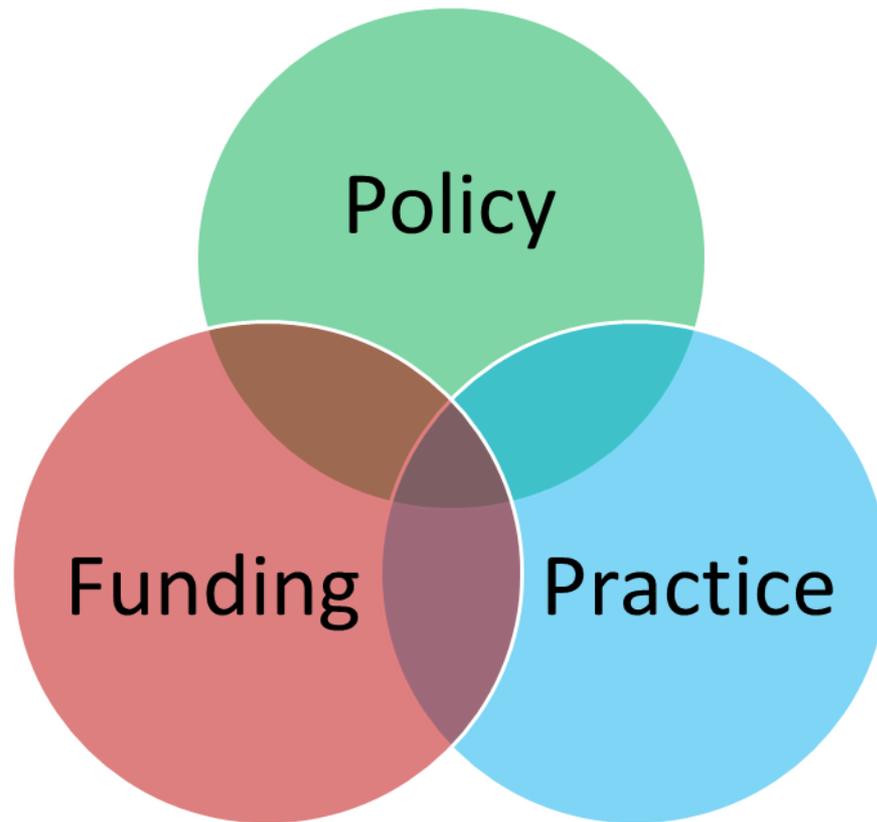
How do we align policy, practice, and funding?

How do we build and sustain capacity of our front-line staff?

What expectations should we place on providers?

How do we measure our progress?

EFSLMP: *Helping States Take the Tough Actions that are Necessary for Systems Reform*

EFSLMP: *Unique Features*

- ODEP requires a minimum of <u>six</u> state agencies receiving Federal funds to be involved in EFSLMP state teams
  - *Education, I/DD Adult Services, Medicaid, Mental Health, Vocational Rehabilitation, Workforce Investment*

- Innovation in Virtual & Onsite Technical Assistance

- Cross disability in focus

EFSLMP: *Structure & Modes of TA/Training Provided*

Tier 1: E1st Core States

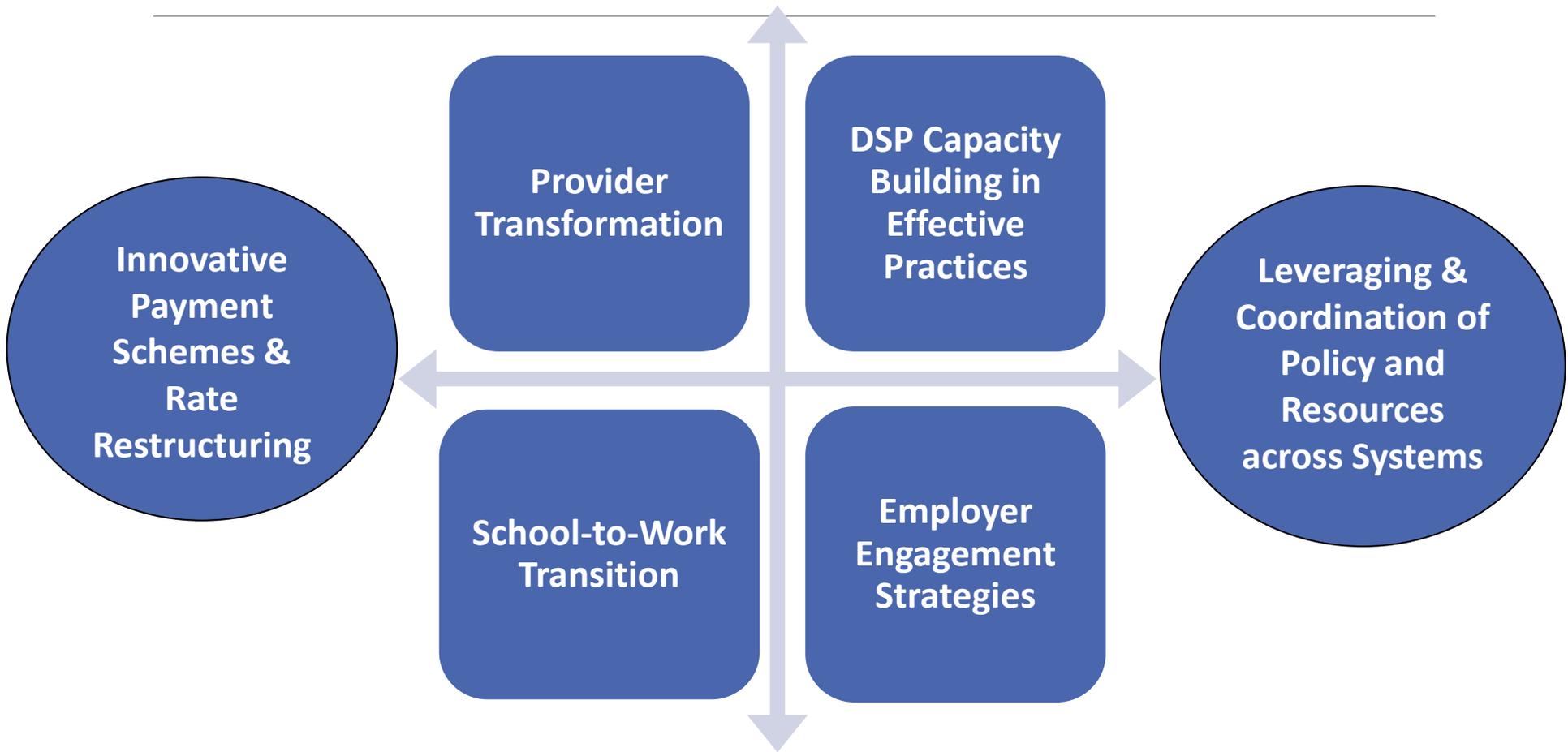| Vision Quest Working Groups	State Assessment of Policy & Practice	Intensive TA/ Training from SME Pool	Peer-to-Peer Mentoring State Ambassadors

Tier 2: Community of Practice

Monthly Webinars & Blogs	ePolicy Works Virtual Work-space	Quarterly Bulletins

EFSLMP Core State TA/Training – *Key Areas of Foci*

Innovative Payment Schemes & Rate Restructuring

Provider Transformation

DSP Capacity Building in Effective Practices

Leveraging & Coordination of Policy and Resources across Systems

School-to-Work Transition

Employer Engagement Strategies

ODEP's Criteria for Performance Excellence in E1st State Systems Change & Provider Transformation

Strategic Planning

Workforce Focus

Leadership

Results

Customer Focus

Operations Focus

Measurement, Analysis and Knowledge Management
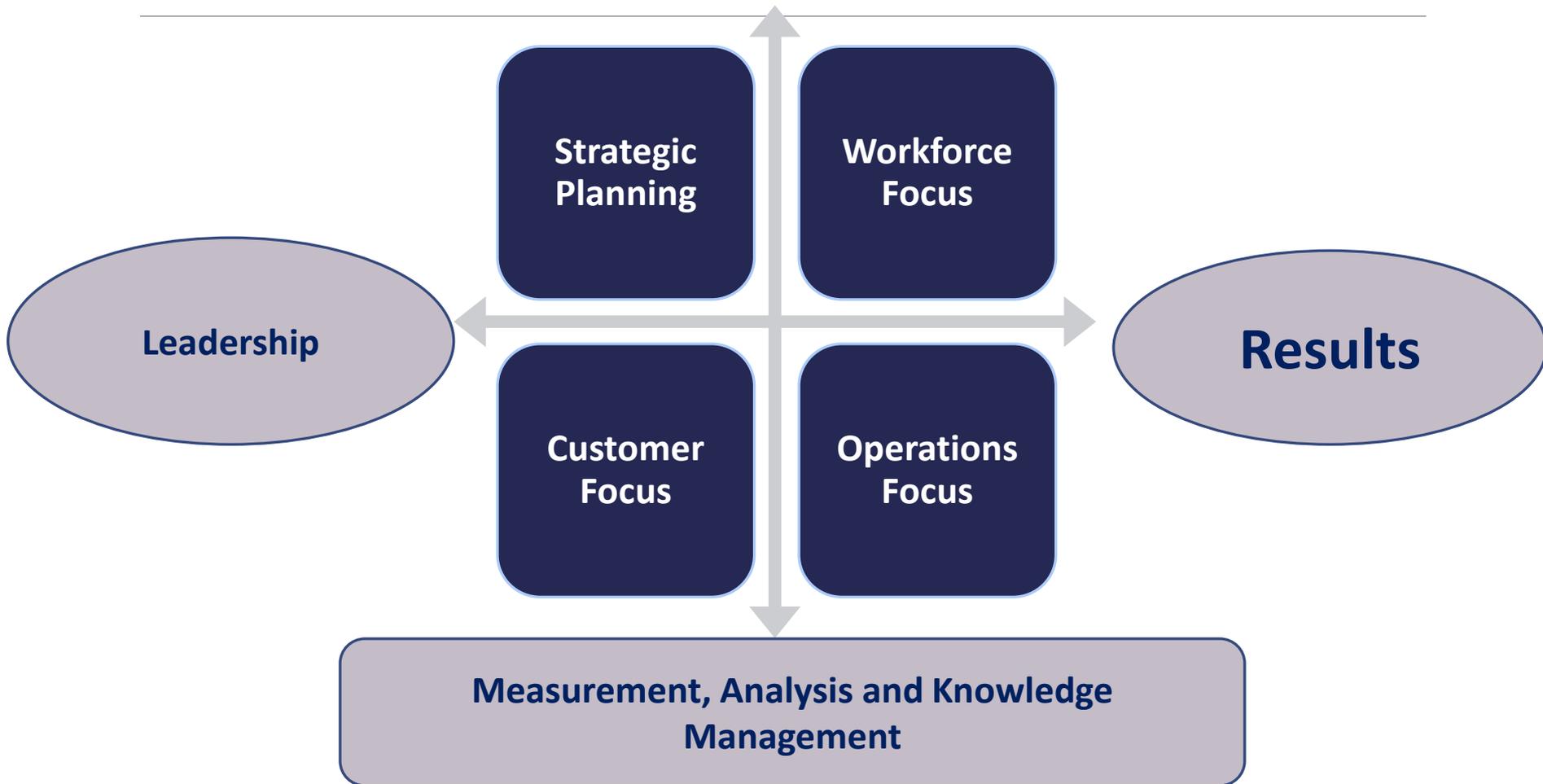
EFSLMP: FY2015 Core States

- *Core State TA States (15):*
  - *Alabama, Arkansas, DC, Delaware, Hawaii, Illinois, Iowa, Maine, Maryland, Michigan, North Carolina, Ohio, Pennsylvania, Tennessee, Utah*

- *Vision Quest States (15 Core States + Missouri)*

EFSLMP Community of Practice: *Participating States*

35 States Participating Currently

◦ Alabama, Alaska, Arizona, Arkansas, California, District of Columbia, Delaware, Georgia, Hawaii, Iowa, Idaho, Illinois, Kansas, Kentucky, Massachusetts, Maryland, Maine, Michigan, Minnesota, Mississippi, Missouri, Montana, North Carolina, North Dakota, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Utah, Virginia, Washington, Wisconsin

Membership is Currently Open to all 50 States

EFSLMP: *Results Thus Far*

State Participation
◦ FY2015: Expanded delivery of TA to 15 core states
◦ 1000+ individuals from 35 state teams participating in National Community of Practice (40 archived training webinars to date)

TA/Training: Over 10,000 hours of TA/training provided since June 2012
◦ 60 provider organizations receiving mentoring/coaching
◦ Over 350 front-line direct service professionals trained

Policy Results:
◦ 65+ policy products developed
◦ 19 major policy changes implemented/adopted

Individual Employment Results (from October 2012-October 2014):
◦ Over 500 individuals with significant disabilities into CIE in 3 States

State Trends in Employment First

FINDINGS FROM ODEP'S EMPLOYMENT FIRST STATE LEADERSHIP MENTORING PROGRAM

Key Ingredients to E1st Systems-Change Efforts that are Improving CIE Outcomes for PWD

- First & Preferred Option

- Obligation to Promote/Expect during Individual Service Planning

- All State Agencies Join Together in a Unified Front

- State Agency Program Staff are Empowered

- Expect Service Partners to Be Full Partners

Addressing the Real Systemic Barriers to E1st: *Key Examples*

VOCATIONAL REHABILITATION

- Low percentage of Supported Employment IPEs as compared to regular IPEs (SE grants a blessing and a curse)

- High case loads, low expectations for success make VR Counselors reluctant to take on SE cases

- Dismiss CIE too easily as an option for individuals in sheltered workshops or at risk of sheltered work, despite the emphasis in Federal statute

- Not serving people with ID and similar disabilities that are enrolled or on waiting lists for Medicaid HCBS waiver services (misunderstanding federal rules regarding ability to serve or not embracing responsibility to equitably serve this population

- Still funding services in sheltered workshops, placements into group SE and still closing people who end up in sheltered workshops rather than CIE

- Still administering state funding for sheltered workshop programs in some states

Addressing the Real Systemic Barriers to E1st: *Key Examples*

MEDICAID

- Requiring face-to-face service delivery when this is inconsistent with SE best practices

- Maintaining day rates that create barriers to people transitioning to CIE/Individual SE

- Offering transportation only for group/facility-based services

- Funding sheltered work as part of service categories other than prevocational

- Revising policy but failing to ensure implementation that changes outcomes – documentation as compliance

- Not enough emphasis on **promoting CIE** in service planning – not setting goals for increasing interest and participation in CIE

Addressing the Real Systemic Barriers to E1st: *Key Examples*

SCHOOLS/SPECIAL EDUCATION

- Must identify post-secondary employment goal but too many options other than CIE

- Too much emphasis on independent living skills rather than employment in transition planning

- Using segregated classrooms and similar approaches that pave the way for the expectation of segregation in adulthood

- Focus on getting youth turning 18 onto SSI and under guardianship

- Referring students to sheltered workshops for transition services or summer options

- Age appropriate transition assessments don't reflect presumption of employment and employability; tools not well suited to students with most significant disabilities

Addressing the Real Systemic Barriers to E1st: *Key Examples*

WORKFORCE SYSTEM

- True programmatic accessibility for people with I/DD not in place currently

- Strained relationship with state VR agency (no one agency to blame) results in very little braiding of services and resources for individuals with disabilities

- Hard to incorporate Supported Employment and Customized Employment practices in workforce system model of strong demand-side approach

- No definitive role in the provision of Supported Employment Services

- Performance measures used define who target population is – people with significant disabilities often not included

Common Challenges States are Addressing in E1st: *Policy Issues*

- Lack of Solid Interagency Agreements (MOUs/MOAs) with "teeth" – lack of clarity on service coordination, resource braiding, collective accountability, shared outcomes

- Operating State Use programs that require congregation and inadvertently promote segregation [use 14(c) and produce very few transitions to CIE]

- Providing tax credit to businesses that give contract work to sheltered workshops – still promoting this role for business in supporting employment of people with disabilities

- Inadequate oversight of state-level sub-minimum wage certificates

Common Challenges States are Facing in E1st: *Financing*

- Need to maintain cost neutrality (no new money)

- Reluctant to rebalance investments by reducing over-payments for facility-based and group services

- Challenge of encouraging Supported Employment best practices and outcomes through a fee-for-service model

- How to apply outcomes-based funding approaches to employment skill-building services

- Being able to pay employers for supports if needed

SIMPLE DOESN'T WORK: SOME LEVEL OF SOPHISTICATION IS REQUIRED

EFSLMP Activities: Key Themes/ Strategies around Financing

- Rates that reinforce CIE as preferred outcome

- Identify Potential Disincentives or Wrong Incentives

- Costs related to Staffing; phasing/stages of payments

- Realignment of Rates & Instilled Flexibility across both Day/Employment Services

- Performance-based rate methodologies that reflect a balance in achieving desired results and serving people with greatest need (acuity)

- Milestones Payments Rewarding Evolution of Providers over Complacency

Common Challenges States are Facing in E1st: *Practice*

- Debunking Myths about Supported Employment

- Helping Transition Systems and Providers from "Group" Model to "Individualized" Service Delivery

- Going from Buildings to Networks

- Moving away from Staff/Program Centralization to Decentralization

- Staff/Management Retention

- Building Incentives that Reward Successful, Committed Providers

This Stuff is Complicated!

Lessons Learned

- Raising standards while expecting expansion of employment services is tricky balance

- Reimbursement strategy just one piece of the Employment First puzzle

- Cross-system collaboration and resource leveraging essential to success

- Unintended consequences will still appear – need on-going commitment to addressing these

- Develop models to pilot in close collaboration with providers

Noteworthy State Actions: Keep an Eye on These States

- Efforts Reducing or Eliminating use of 14(c)
  - New Hampshire, Maine, Texas

- State Provider Conversion Efforts
  - Vermont, Maine, Massachusetts

- Pilots Guaranteeing CIE Work Experience for Youth with Disabilities in Transition
  - Arkansas, Oregon, Pennsylvania, Rhode Island

- Reviewing State Use Requirements
  - Maryland, Delaware

- Innovative Outcome-Based Payment Schemes
  - Oklahoma, Ohio (pending), some MCOs (e.g. Wisconsin; Michigan; Colorado)

Common and On-Going State Dilemmas

AREAS WHERE FEDERAL LEADERSHIP IS ESSENTIAL

ONGOING DILEMMAS FOR STATES

- **Making the Financials Work-Using Money Effectively**

- **Making Collaboration Real – cutting through Federal red-tape to allow for stronger service coordination and resource leveraging**

- **Holistic Wrap-around Services**

- **Heavy influence of State Use and Federal contracting preference programs**

- **Building & sustaining capacity among direct support professionals in effective practices**

- **Potential for Watering Down Integration (i.e. social enterprise, employer of record issues, "reverse" integration)**

- **Lack of Innovation in Approaching & Engaging Employers**

- **Asset/Income Limits tied to Federal Benefits**

Will policy be able to keep up with practice?

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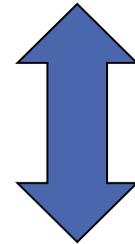
Will practice be able to keep up with policy?

State E1st Dilemmas Requiring Federal Solutions (1)

- Service Coordination & Resource Leveraging – need unified front at Federal level encouraging and explaining how to effectively leverage resources (braiding, blending and sequencing) to improve CIE options

- Address Payer of Last Resort Fallacies

- No Wrong Door Point-of-Entry across Systems -- Streamlining Eligibility & Enrollment Processes

- AbilityOne® reform that can drive similar reforms in State Use programs

- Cross-Systems waiver authority/greater flexibility to achieve increased CIE outcomes

- Consistency around Work Incentives/Benefits Planning

- Guidance **and flexibility** on Performance-Based Funding Mechanisms/Methodologies

State E1st Dilemmas Requiring Federal Solutions (2)

- Coordinated Technical Assistance Needed around Systems-Change

- Dealing with the Asset/Income Limits Attached to SSI and Medicaid

- Protecting the Concept of "Most Integrated Setting" and "Community" from being watered down

- Establishing Stronger Coordination across Federal Enforcement Efforts
  - Replicate WHD/DOJ Model in Rhode Island
  - WHD/EEOC Collaboration to Clarify Rules to the Field regarding the relationship between accommodations and productivity
  - Expansion of EO 13658 to all Federal contracting employees with disabilities

THANK YOU

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