

## EMPLOYMENT

“The dignity, responsibility, and economic independence resulting from gainful employment is the most effective way of reducing dependency on public benefits, enhancing self-reliance, changing attitudes, and promoting community acceptance of persons with disabilities.”<sup>1</sup>

### Our Beliefs

The Missouri Planning Council for Developmental Disabilities (MPC) believes individuals with developmental disabilities (DD) have the opportunity to be successful in obtaining and maintaining integrated competitive employment.<sup>2</sup> These individuals work in the competitive labor market on a full or part-time basis in an integrated setting and receive fair compensation. MPC feels that employment must be a priority for its five-year plan, based on its recent Needs Assessment and other research.

The results of MPC’s Needs Assessment indicate the majority of respondents believe individuals with DD spend their time in sheltered employment or in non-employment situations. Participants describe major problems with the availability of job opportunities, employer attitudes and lack of understanding, and transportation to work. The lack of accessibility and accommodations needed for work, and insufficient capacity of employment providers in areas like job training, are also barriers for some individuals.<sup>3</sup>

**\*Note: The Needs Assessment states where respondents believe individuals with DD spend their time; it may not mean they choose to be there.**

### What the Research Says

In recent years, powerful legislation such as the Americans with Disabilities Act (ADA) has drawn

focus towards the need to increase opportunities for supported employment of persons with disabilities within competitive work settings in which most persons do not have disabilities. U.S. labor economists predict a declining workforce and a continued increase in employment rates from now to 2014.<sup>5</sup> These trends create a favorable climate for persons with disabilities looking to enter or re-enter the workforce.

However, the Administration on Developmental Disabilities (ADD) reports concerns regarding how little information exists from agencies in reference to how persons with disabilities perform in their employment settings and how long they stay employed.<sup>6</sup> One factor regarding the difficulty in obtaining data is that most federal and state Vocational Rehabilitation (VR) agencies do not follow people long term if their employment placement is successful.<sup>7</sup>

What is known about the minority of persons with DD who have been able to attain integrated employment is that most are young (age 22-30), work in individual jobs as opposed to group jobs (81%), work part-time, earn incomes above minimum wage, have paid time-off, and occasionally have access to health plans. Persons in individual jobs show the strongest outcomes with higher wages, and a higher likelihood to have paid time-off and healthcare benefits.<sup>8</sup>

ADD also states the great need for systemic change in order for individuals with DD to acquire paid, integrated employment.<sup>9</sup> Braddock (2005) cites at least eight studies that show how movement from

#### MPC Values

- People with DD have contributions to make in our communities that are equal in worth and value to those of other citizens.
- People with DD have the opportunity—as do other citizens—to find and hold competitive jobs and/or otherwise contribute to the community.

#### What Missourians with DD and Their Families Are Saying<sup>4</sup>

##### Statewide Needs Assessment Results:

- 79% of respondents thought persons with Developmental Disabilities (DD) they knew were either *not employed* or were *employed in sheltered workshops* (Note: average hourly sheltered workshop wage is \$2.35/hour in Missouri)
- Only 21% of respondents indicated that people were likely to participate in support employment (8%) or competitive employment (13%)
- Over half of the respondents felt options for employment in the community without supports were inadequate
- 40% of the respondents felt that supportive employment options were inadequate

##### Challenges in finding employment:

- Perception that appropriate jobs were not available (53% of respondents)
- Family responsibilities
- Inadequate training
- Fear of loss of benefits
- Fear of lack of access to opportunities for on-the-job training or job promotion
- Discouragement by family and friends

sheltered to supportive employment benefits persons with DD as well as taxpayers.<sup>10</sup> Innovative programs like that found in Montana have helped fund micro-enterprises to create self-employment for students with disabilities.<sup>11</sup>

**The State of the State in Employment**

It is our finding that the Department of Elementary and Secondary Education (DESE), Vocational Rehabilitation, and state agencies in Missouri all track data on employment separately. Therefore, there is no comprehensive data on employment that takes into consideration all students and adults in the state who are currently employed or not.

Improving opportunities for work is a key factor in impacting community inclusion for persons with DD, as lack of work can ultimately lead to isolation and segregation from the community.<sup>12</sup> Yet, despite a legal mandate for equal employment opportunities, a declining workforce, and notable progress in other states, there still is a lack of employers willing to hire persons with disabilities in the Missouri labor market.

Low Employment Rate. In stark contrast to the concerns regarding an impending lack of workers, Missouri’s employment rate for persons with disabilities is only 39%, as opposed to an 81% employment rate among Missourians without disabilities, yielding a gap of 42%.<sup>13</sup> Several studies across the nation have shown that up to ¾ of people with DD who are without employment would actually like to work.<sup>14</sup>

Inadequate Employment Options. In 2001, sheltered workshop placement was ruled to be an unacceptable “employment outcome” for Vocational Rehabilitation per federal regulations.<sup>15</sup> Missouri’s VR program has not completed any placements in sheltered workshops since 2002. Yet, in 2005, 7500-8000 persons with disabilities were working in the 93 sheltered workshops in Missouri through the (DESE) Sheltered Workshop program.<sup>16</sup>

In FY2006, Missouri workshops reported expenses of over \$121 million dollars including materials, labor, administration, and operating costs. State and county aid covered \$29 million of these expenses. Despite strong government investment, monetary value to workers has remained stagnant. Employee wages only increased by \$.02 from 2004-2006.<sup>17</sup>

**Limited Growth in Missouri Sheltered Workshop Wages Over Past 24 Years**

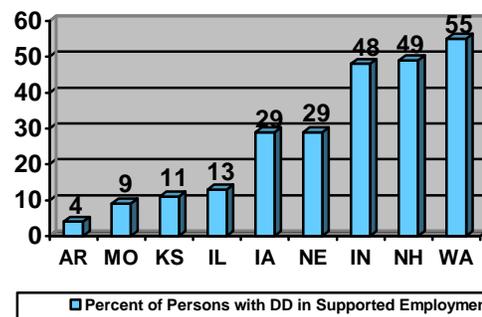
(adjusted for inflation)<sup>18</sup>

Year	1982	1986	1993	2005
Average Hourly Wage	\$ .88	\$ .96	\$ 1.47	\$ 2.31

While sheltered workshops provide a place of employment for many Missourians with disabilities, their wages – adjusted for productivity of workers-continue to fall far below the minimum wage. The benefits gained from the expense to operate the workshops must be questioned in light of these meager wages, particularly when these funds could be used to create and support integrated, community employment.

Integrated and Supported Employment. In 2004 Missouri was still directing 93% of MRDD “total funding for day employment” to facility services and non-work placements and only 6% to integrated employment.<sup>19</sup> 2005 data also shows only 9% of Missourians with DD in day-work programs participate in supportive employment (SE) settings, a percentage that **places Missouri in the three lowest states.** Among the states below, spending per capita for SE ranges from \$.09 in Arkansas to \$3.56 in Washington, with Missouri spending a mere \$.29 per capita.<sup>20</sup> Furthermore, only 17% of total successful VR case closures in 2004 consisted of SE placements, a figure essentially unchanged over the past 10 years, as 15% of successful closures were SE placements in both 1995 and 2000.<sup>21</sup>

FY2004 Supported Employment



NOTE: The chart above compares FY 2004 supported employment figures for Missouri, the states surrounding Missouri, and two states with exemplary supported employment (Washington, New Hampshire). (Braddock, 2005, pg. 42)

State Policies Create Dependency and Disincentives to Work. Federal policy allows individuals to have up to \$2,000 in assets (e.g., money in a savings account, SSI, earned income, etc.). However, in Missouri, persons with disabilities lose supports if they have over \$999.99/month in assets including government benefit income; thus, dramatically limiting what they can earn per month. People who earn money that would take them over the \$999 amount are usually urged to spend their “excess” income to avoid losing Medicaid benefits.<sup>22</sup> This is called “spending down.” The number of persons in the spend-down program doubled between 2005-2006.<sup>23</sup> Policies like these require persons to be poor and stay poor in order to qualify for Medicaid, instead of allowing persons to earn a living wage, to save, and to plan for reduced dependence on government assistance.

The state legislature eliminated Missouri’s Ticket to Work program, Medical Assistance for Workers with Disabilities (MAWD), in 2005 and put no tracking mechanism in place to determine the effects on persons with disabilities. 18,000 persons were cut from the program, and 9,529 persons completely lost medical coverage. 8% of these reported that they would have to stop working in order to qualify for Medicaid benefits.<sup>24</sup> Therefore, our current state policies seemingly create a cycle of dependency for persons with DD.

*“Although local employers are sympathetic, they appear unwilling to offer jobs to people with DD, even when the person has marketable skills.”<sup>25</sup>*

### **What We Recommend**

Everyone deserves to have a choice about how they can best contribute to society. With the appropriate options in place, people can not only improve their quality of life, but can become productive tax-paying citizens who are less reliant on government systems.

- Increase access to the supports needed for individuals with DD to obtain and maintain a job in the communities where they live. Support could include transportation, personal assistance services, or help with finding and maintaining a job.
- Require state agencies to integrate the State Employment and Diversity Curriculum developed through a Planning Council Grant

to the University of Missouri Kansas City, Institute of Human Development or a similar training program into new employee training so as to educate all state employees on supporting people with disabilities to work.

- Partner with the Missouri School Board Association and teacher education programs to identify and increase the level of Disability Awareness training for all local school employees.
- Develop a cooperative relationship with DESE to develop strategies, incentives and increased flexibility of funding to encourage individuals and organizations to transition towards competitive employment in integrated settings.
- Remove disincentives to employment by allowing people with disabilities who make up to 150% of the Federal Poverty Level to keep their medical benefits. Allow individual who earn above this level to buy into a medical plan that is consistent with Federal guidelines and emphasized competitive employment in integrated settings. Develop a sliding scale for individuals with disabilities who earn over 150% of federal poverty level.
- Increase access to information and training on evidenced-based practices on community-based employment to individuals with DD, parents, employment service providers, and policy makers.
- Encourage state and private agencies that provide individualized case management for individuals with disabilities to receive training on the Workplace Personal Assistant services and educate individuals and families on the availability of these services.
- Provide training to develop a qualified labor force to support individuals with disabilities in finding and retaining employment through state agency efforts and through the MPC supported program, the College of Direct Support.

## EMPLOYMENT ENDNOTES

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