

Aiming Higher: Increasing Employment for Young Adults with Intellectual and Developmental Disabilities

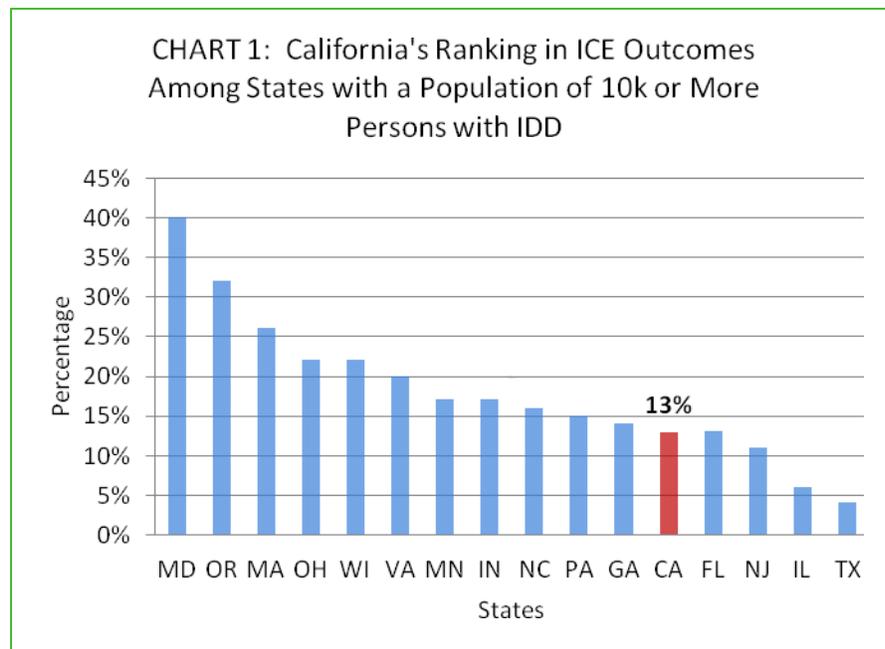
Developmental Disabilities Services System

April 2014

Background

For nearly 5 decades, California has committed to lifelong services for individuals with IDD and their families, implemented through the regional center system administered under the Department of Developmental Services (DDS). Today, the state’s policies and systems do not adequately provide the preparation, transition, or support for young adults to achieve and maintain ICE.

California ranks 33rd nationally¹ in the percentage of people with IDD engaged in ICE.² In addition, as shown in Chart 1, of the 16 states with an IDD population of greater than 10,000, California is tied with Florida for 12th place.

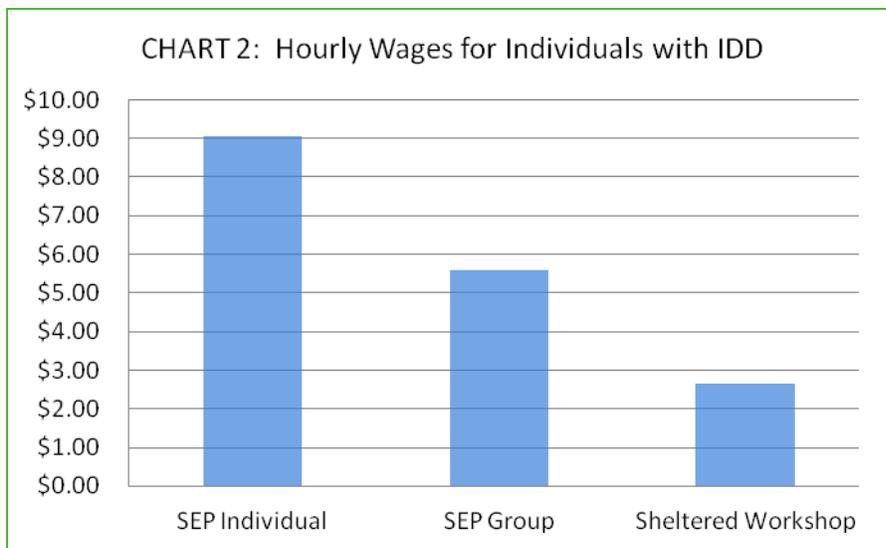


The Issue:
Young adults with intellectual and developmental disabilities (IDD) rarely attain integrated competitive employment.

Integrated competitive employment (ICE) is part- or full-time work, with or without supports, for which an individual is compensated at or above the minimum wage, but not less than the customary wage and level of benefits paid by the employer, for the same or similar work as non-disabled individuals.

Furthermore, only 13% of working-age Californians with IDD surveyed had a job in the community.³ Many of these individuals work in segregated sites such as sheltered workshops, make subminimum wage, or work only a few hours per week.⁴

The data shown in Chart 2⁵ clearly indicate that individuals with IDD in ICE earn significantly greater wages than those in group supported employment or sheltered workshops.



California Can Do Better: The Need for Policy Change

Nationally and in California, there is a growing emphasis on employment to be the first option and desired outcome considered by DDS and other service delivery systems for working-age consumers with IDD. The National Governors Association’s 2012-2013 Chair’s Initiative, *A Better Bottom Line: Employing People with Disabilities*, calls on governors to “prioritize ‘employment as the first option’ when designing policies, programs, and investments to support the employment of people with disabilities” (p. 5).⁶

A **sheltered workshop** is a segregated, non-competitive entity authorized to employ workers with disabilities at subminimum wages. Work Activity Programs primarily include sheltered workshops.

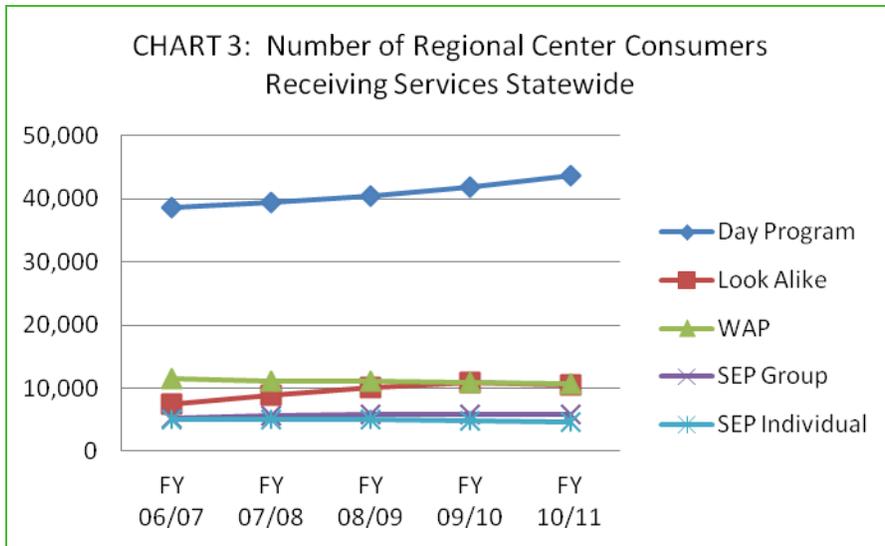
Supported employment (SEP) consists of services and training activities provided in the community for workers with disabilities. It can assist individuals or groups, often referred to as enclaves, of 2 to 8.

In October 2013, California enacted legislation, Assembly Bill 1041 (amending Cal. Welf. & Inst. Code §§4646.5 and 4868, and adding §4869), that established an Employment First Policy for the developmental disabilities system. The Employment First Policy states that “opportunities for integrated competitive employment will be given the highest priority for working age individuals with developmental disabilities, regardless of the severity of their disabilities” (Section 4869(a) (1)).⁷ The legislation will ensure that individuals with IDD and their families are informed of the policy and available supports and pathways for preparation, including postsecondary education. For more information on employment as a first option for consumers with IDD, please read CECY’s Employment First brief [here](#).⁸

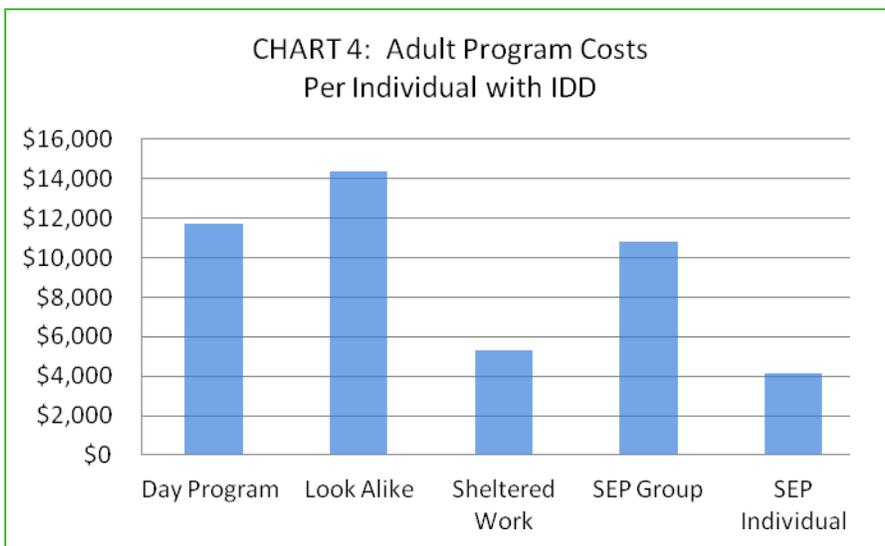
In addition, as the U.S. Department of Justice applies the principles of the *Olmstead* Supreme Court decision to employment, policies have increasingly emphasized that employment options must be provided in the most integrated setting possible.⁹ Research shows that no more than 5% of people in sheltered workshops ever transition into integrated employment.¹⁰ Thus, it is critical that policy development on employment for individuals with IDD exclude subminimum wage and working in segregated settings (i.e., sheltered workshops) as desirable employment outcomes.

Fiscal and Social Costs

As illustrated in Chart 3 over the last 5 years in California, the use and funding of day programs have increased, while employment services have remained mostly unchanged.¹¹



This trend conflicts with the interests, choices, and desires of many individuals with IDD and also costs more than individualized supported employment, as detailed in Chart 4 in the per-person cost of services.¹²



A rise in employment would likely decrease the use of day program services and increase use of individual supported employment.

Recommendations for Policy/Systems Change

- 1. Establish goals, benchmarks, and measurable outcomes for the implementation of the Employment First Policy.** To effectively implement the Employment First Policy, California needs an established baseline, goal, and outcome measurement system including employment settings, wages, and hours worked to track the employment rate of individuals with IDD. Upon implementation, this policy should drive transition planning for youth with IDD, the allocation of funds by DDS, and the development of new service delivery options.

There needs to be a stakeholder process for developing this measurement system and for determining goals. The stakeholder group should share data and information to promote shared understanding of consumer needs, ensure access to services and supports, and improve interagency coordination.

- 2. Align and incentivize funding for integrated competitive employment.** There is consensus among stakeholders that the current formula used by DDS to fund services for individuals with IDD does not support ICE outcomes. In addition, the statutory formula for funding supported employment services, which is also used by the California Department of Rehabilitation (DOR), does not incentivize ICE as an outcome. Accordingly, in keeping with the implementation of California's Employment First Policy, existing DDS funding needs to be realigned to better support employment services, ensuring that they focus on ICE outcomes to the greatest degree possible. Realigned funding should support capacity building, innovation, and use of technology. Models for funding realignment towards ICE include the Department of Rehabilitation's College to Career programs, Project Search for internships; self-determination and tailored day service funding models.

In addition, existing local innovations in funding that allow for sequential or hybrid funding models (DDS/DOR) should be scaled up. For example, TransCen's WorkLink program¹³ breaks down the day rate provided by the regional center to an hourly rate. This enables it to both provide employment exploration and preparatory skill development through its day program, and to utilize DOR funds for job placement and supported employment.

3. Stop placement of transition age youth and young adults with IDD in sheltered employment. In keeping with the guidance of the U.S.

Department of Justice regarding the *Olmstead* Supreme Court decision as applied to employment,¹⁴ California, along with other states, should develop a plan to phase out funding for sheltered workshops. Accordingly, DDS should make a commitment to place persons with IDD, ages 16-30, in ICE settings rather than in sheltered workshops. The Regional Center of Orange County has made the commitment 'close the door' to referrals to sheltered workshops as of July 1, 2014.

As California implements its Employment First Policy, it will be critical to provide comprehensive transition planning for youth with IDD, starting with the individual's initial transition plan and identified postsecondary education and employment goals. Regional center staff will be essential partners in this transition planning process in order to ensure that their services are aligned with those of other systems, such as the Department of Rehabilitation, to support the achievement and sustainability of ICE outcomes.

4. All workers should be paid at least minimum wage. All individuals with disabilities who can perform the essential functions of their jobs, with reasonable accommodations, should be paid the same as their non-disabled peers. Therefore, California should make a commitment to phase out the use of subminimum wages. California should analyze the successes and failures of other states to determine the most appropriate way to phase out subminimum wage.

The **California Employment Consortium for Youth and Young Adults with Intellectual and Developmental Disabilities (CECY)** is a collaboration of 23 state agencies, centers, and organizations; families; and self-advocates with responsibilities for the education, rehabilitation, employment, and support of youth with disabilities. Our mission is to strengthen state policies and practices to increase the number of youth and young adults with IDD in integrated competitive employment. CECY is a 5-year (2011-2016) Project of National Significance under a Partnerships in Employment Systems Change grant (#90DN0284) by the Administration on Intellectual and Developmental Disabilities. ■ The Tarjan Center at UCLA, a University Center for Excellence in Developmental Disabilities (UCEDD), provides the administrative leadership for CECY. For more information, please contact Tarjan Center and CECY Director Olivia Raynor at oraynor@mednet.ucla.edu or (310) 794-1141. ■ tarjancenter.org/cecy

¹ 2012 data, CA is 33rd out of 44 states, unavailable/not collected for Arkansas, Delaware, Michigan, Mississippi, Nebraska, New York, North Dakota, and Rhode Island.

² StateData.info.(n.d.) State IDD Agencies [Raw data]. Retrieved from http://www.statedata.info/download/download_1.php; see also <http://www.statedata.info/download/IDD%20Survey.pdf>.

³ California Department of Developmental Services. (2011, December 31). National Core Indicators Family Survey Results: Quality Assessment Project, Fiscal Year 2010-2011. Retrieved from https://www.dds.ca.gov/QA/docs/nciSurveyResults2010_11.pdf.

⁴ California State Council on Developmental Disabilities. (2013). Annual Report of the Employment First Committee. Retrieved from http://www.sccd.ca.gov/res/docs/pdf/Employment_First/2013%20EMPLOYMENT%20FIRST%20REPORT.pdf.

⁵ Regional Center of Orange County (RCOC). (2013, July 18). *Work Initiative Update Employment Outcomes*. Presentation on data from October 2012 to the RCOC's Employment Community Advisory Council at its Santa Ana office.

⁶ Markell, J. (2012-2013 Chair's Initiative). *A Better Bottom Line: Employing People with Disabilities, Blueprint for Governors*. National Governors Association. Retrieved from http://www.nga.org/files/live/sites/NGA/files/pdf/2013/NGA_2013BetterBottomLineWeb.pdf.

⁷ California State Legislature. (2013, October 10). AB 1041 Developmental Services: Employment First Policy. Retrieved from http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140AB1041.

⁸ CECY's Employment First Brief is at http://www.semel.ucla.edu/sites/all/files/cecy_consortium/CECY_EFBrief.pdf.

⁹ U.S. Department of Justice. (2014, January 6). DOJ Findings Letter to Rhode Island. Retrieved from http://www.ada.gov/olmstead/documents/ri_lof.pdf; see also *Lane v. Kitzhaber*, 12-CV-00138 (D. Or. 2012).

¹⁰ National Disability Rights Network. (2012, April). *Beyond Segregated and Exploited: Update on the Employment of People with Disabilities*. Retrieved from [http://www.napas.org/images/Documents/Resources/Publications/Reports/Beyond Segregated and Exploited.pdf](http://www.napas.org/images/Documents/Resources/Publications/Reports/Beyond_Segregated_and_Exploited.pdf).

¹¹ California Department of Developmental Services (no date), 2010-2011 Employment and Day Services Annual Report. Data from DDS Purchase of Service system HAB services. Retrieved from http://www.dds.ca.gov/WorkServices/docs/EmploymentDayPrgmAnnualRpt2010_2011.pdf.

¹² Ibid.

¹³ More information at <http://www.transcen.org/worklink/>.

¹⁴ California State Council on Developmental Disabilities. (2013). Annual Report of the Employment First Committee. Retrieved from http://www.sccd.ca.gov/res/docs/pdf/Employment_First/2013%20EMPLOYMENT%20FIRST%20REPORT.pdf; see also *Lane v. Kitzhaber*, 12-CV-00138, (D. Or. 2012); *DOJ Findings Letter to Rhode Island* (2014).