

DEFINING PURPOSE: A Platform for the Cost-Rate Discussion and Increased Employment for Georgians with Disabilities Through an Employment First Policy

Recently, Georgia has been the beneficiary of three significant initiatives surrounding employment. First, the *Department of Justice settlement* relies to a great extent on supported employment to achieve community inclusion. Second, *Employment First Georgia* continues to gain momentum, joining 22 other states that operate similar initiatives. Third, Georgia was awarded a *Medicaid Infrastructure Grant*, which will also build the impetus for a greater focus on employment. The climate is right for us to collaborate more, and work together across systems and funders to make Georgia a national leader in supported employment. Our state has the great fortune of having talented providers, innovative trainers, best-practice experts, and most importantly, people with disabilities who want jobs. Its time to put all these resources to work. A starting point however must be a discussion surrounding supported employment cost rates and the adoption of an *Employment First Policy*. The purpose of this paper is to highlight some of the experts in the field of Disabilities Studies and Policy and best practice practitioners enabling us to learn from the mistakes and successes of other systems and to implement what is known to be effective. Additionally, I would be remiss if I did not take this opportunity to promote discussion surrounding employment as the preferred option for individuals with disabilities.

Among states there is significant variability regarding rates of reimbursement for supports and services provided to individuals with disabilities. Because of this or maybe in spite of this, we know, that states where the cost-rate is low have poor quality of supports/services and large waiting lists. We also know that successful states in which supports/services are person centered, based on choice, focused on inclusion and integrated employment:

- ***are outcomes driven and hold providers accountable to quality standards;***
- ***have high fidelity between values, goals, priorities and the payment structure;***
- ***have clearly defined services and supports with priorities being tied to increased payment rates;***
- ***create effective incentives for priority outcomes and ensure that disincentives are not created or if created are eliminated;***
- ***enable and support providers to shift to priority support/services who have previously not been engaged;***
- ***adequately pay providers of supports/services to achieve priority outcomes.***

The payment structure a state chooses will invariably determine which category it will fall into.

RATE STRUCTURES

Dr. John Butterworth, et al at the Institute for Community Inclusion, University of Massachusetts Boston have long studied state funding structures for developmental disabilities supports/services. They have analyzed extensively the data from selected states “chosen to represent diversity in terms of geographic regions, systems of funding, and state [Developmental Disabilities agency] structure and characteristics.” A copy of the complete study can be found at:

www.health.state.nm.us/DDSD/meaningfullife/documents/StateEmploymentPracticesFundingforEmployment2008.pdf

A sample of the information is included below for quick review. All information is from July 2008.

Tennessee

Employment-based Services	Daily Rates*
Employment (3 people or fewer at a site, at least 3 contacts per week)	\$77.25
Group Employment Model (4 or more at a site)	\$44.45
Employment Special Rate (1:1 supervision at site)	\$107.60
Employment Special Rate (2:1 supervision at site)	\$128.20
Follow-along (2 contacts per month) <i>note this is a monthly rate*</i>	\$338.30
Facility-based Services	Daily Rates*
Rate 1: Level 1	\$30.65
Rate 2: Level 2	\$38.45
Rate 3: Level 3	\$51.80
Rate 4: Level 4	\$74.95
Rate 5: Level 6 **	\$125.65
Community-based Services	Daily Rates*
Rate 1: Level 1-3	\$59.40
Rate 2: Level 4	\$92.40
Rate 3: Level 6 **	\$128.20

*Except for employment follow-along all rates are daily. ** Level 5 is Medical Residential, which is an inclusive, 24-hour residential service with nursing component.

Connecticut

Service	Hourly Rate
Individual Employment	\$58.11 – initial job development and intensive support \$26.82 – long-term follow along support
Group Supported Employment	\$10.90 \$11.41 with benefits* *rate is higher when provider is employer and benefits and vacation time are provided
Sheltered Employment	\$7.72 \$8.07 with benefits* *rate is higher when provider is employer and benefits and vacation time are provided
Non-work Day Support	\$15.88

*a separate transportation rate was determined, predicated on number of miles that can be traveled per hour, which was then converted into a mileage rate from home to day program

Florida

Service	Hourly Rate
Supported Employment	\$39.90 – Individual (does not include transportation or documentation) \$3.96 - \$13.36 Group (based on ratio)
Sheltered Employment	\$4.88 - \$15.88 (based on ratio and geography)
Adult Day Training	Billing is by the quarter hour or daily and is prorated by the time attended. Rates vary based on ratio and geography.

Oklahoma

Example of pricing methodology – which illustrates how the basis of funding for one individual in supported employment, considers all the elements necessary to operate a SE program.

Individual Placement in Job Coaching	Average Annual Placement Cost
Direct Support Staff	\$7,800
Program Management	\$3,000
Staff Mileage	\$2,600
Administration and General Expenses	\$2,600
Total Annual Costs for one person in SE	\$16,000

Additional comparative data that might be of benefit to this discussion is the hourly rate for individual supported employment from additional states. While I do understand this deconstruction to a specific hourly rate undermines the complexities involved in rate setting, it is included to stress the need for solid answers before inflicting harm from inadequate rate setting data.

STATE	Hourly Rate for Individual Supported Employment
Delaware	\$72.00 per hour
Virginia	The waiver pays the same rate as the Vocational Rehabilitation Services approved rate which is a negotiated rate with each provider.
Massachusetts	The waiver reimbursement rate is determined individually with the providers.
Iowa	\$34.63 per hour
Michigan	The state does not set the rates for services. Michigan's pre-paid inpatient health plans set the rates paid to providers, which vary across the state depending upon the model of supported employment used.
New Mexico	\$37.22 per hour
Pennsylvania	\$43 per hour
Kentucky	\$41 per hour
STATE	Hourly Rate for Individual supported Employment "Follow-along"
Indiana	\$35.19 per hour

BRAIDING FUNDING

To maximize resources many states work at the local and state levels to partner with Vocational Rehabilitation Services and the Workforce Investment Boards. The 2009 State Vocational Rehabilitation Performance data for Georgia indicates that 12.6% of successful closures were in supported employment, which is above the national average of 9.5%. In Georgia, VR and state waiver funding do not connect. There is no state-level cooperative agreement to use VR funding for job development and DD state and waiver funding for long-term support.

PRIORITIES AND ADVICE

Hopefully no one reading this would dispute the veracity that a quality life results from real homes, real work, and real community connections. Real homes means community living not institutions or nursing homes. Real community connections mean inclusion in ones' community of choice not segregation. Real jobs means integrated employment at or above minimum wage not facility based or enclave duties.

Debbie Gilmer, "Quality providers (those that consistently have positive outcomes---jobs!) should be incentivized for their efforts...we should pay for the outcomes that we desire...and I believe the outcomes of any program should be jobs, real jobs!"

Grant Revell from Virginia Commonwealth University developed a functional checklist to analyze the fidelity between the particular Medicaid Waiver services and the objectives of individuals seeking competitive employment through the Waiver funding. The rating of fidelity was based on:

- appropriateness of Definitions and Service Content contained in the HCB Waiver;
- marketability of Rate for Supported Employment within the Waiver;
- consistency of Rates within the Habilitation Services Category of the Waiver;
- guarantees for Equal Access to Waiver Services;
- supporting Freedom of Choice for Consumers of Waiver Services;
- presence of Quality Assurance Safeguards;
- presence of Incentives to Encourage Community Integrated Outcomes.

Employment First

Employment First is a declaration of both philosophy and policy stating that: ***Employment is the first priority and preferred outcome of people with disabilities.***

Employment includes these essential elements:

- being the first and preferred outcome for working-age youth and adults with disabilities, including those with complex and significant disabilities, for whom working in the past has been limited, or has not traditionally occurred;
- using typical or customized employment techniques to secure membership in the workforce, where employees with disabilities are included on the payroll of a competitive business or industry or are self-employed business owners;

- assigned work tasks that offer at least minimum or prevailing wages and benefits;
- typical opportunities for integration and interactions with co-workers without disabilities, with customers, and/or the general public. (www.employmentfirst.net)

Michael Callahan, *“We must crack the code for achieving access to paid, community employment for all who want to work. And we must embrace the positive presumption of a working life for all people.”*

The issue that frequently becomes a struggle in establishing rates is facility-based services versus employment. Segregation has never been a best practices option nor has it ever been tied to improving the quality of one’s day. It developed as a poor answer to what we had no answers for and other morally objectionable reasons. If we remember that research has shown the states with higher quality supports tie funding to priorities and that research has shown that work is a valued activity for all then obviously employment must be a priority.

Marc Gold, “How much less of ourselves would we be if we did not go to work?”

Robert Drake, ““Given the choice between work and idleness, people will almost always choose work. □Regardless of our station in life, the conditions of our bodies and minds, or the amount of money in our bank accounts, the need to work remains one of our strongest drives. □Work is central to our lives, and as such, gives a large measure of structure to our days. □Common sense tells us that we feel better about ourselves when we are working regularly.”□

Employment also makes good economic and community development sense.

Cary Griffin, “In our experience with employment development projects across the country investments in employment pay off for both states and local agencies. Continued funding of day programs that offer endless training in preparation for jobs is an investment in sink holes that swallow money and produce very limited results. Training does not create jobs; jobs create the need for training. Investment in employment programs creates taxpayers, improves the health and family stability of individuals with disabilities, and creates economic development opportunities while lowering tax burdens. States should invest in employment; it is right for people with disabilities and taxpayers both.”

In a study by Robert Cimera published in the TASH journal, *Research and Practice for Persons with Severe Disabilities*, he shows how supported employees returned an average monthly net benefit to taxpayers of \$251 (or an annual net benefit of \$3,016.08 per supported employee) and generated a benefit–cost ratio of \$1.46 for every dollar spent. The comprehensive research looked at all 231,204 supported employees funded by Vocational Rehabilitation Services throughout the entire United States from 2002 to 2007. This remarkable

finding extrapolates to over \$1.5 billion dollars in cost benefits from supported employment if applied to the total number of US individuals with disabilities served in segregated day placements. However, the author notes that supported employment wages still lag, and that the service "will need to secure positions in the community that pay above minimum wage and allow supported employees to earn a livable wage."

Another interesting finding from the presented data involved the change in wages experienced by both supported and sheltered employees. Specifically, in the mid-1980s, Lam determined that sheltered employees earned \$1.17 per hour. Data utilized from 2007 to 2008 found that sheltered employees earned \$1.36 per hour. In other words, wages earned by sheltered employees appear to have increased only 16.2% over twenty-one years. Wages earned by supported employees, on the other hand have increased 299.4% from the \$1.79 per hour to \$7.15 per hour.

Ruby Moore, "I have had the opportunity to work with hundreds of employers, HR departments, co-workers, diversity teams, and many people with disabilities. To get right to the heart of the matter, I have learned that virtually Everyone with a Disability Can Work. I've learned that people with a wide range of disabilities can obtain meaningful employment based on their unique skills, interests, and gifts, as well as the needs of their employers. A common misperception is that people with disabilities have a limited scope of function or job duties they are capable of doing. This is simply not true. My experience has been that virtually every type of job can be done by a person with a disability, within every sector of the economy. This is particularly true, given the advances in assistive technology, job sculpting, workplace flexibility, and customized approaches to accessing and negotiating positions to meet employers' unmet needs.

Paul Wehman, "We must believe that all [individuals] regardless of severity of disability have the right to and will indeed work in their communities. We must also insist on timely, highly individualized, high quality supports to make employment become a reality. If we stay focused on the mission, real work for real pay, when it comes to employment no [one] will be left behind.

CONCLUSION

The cost-rate issue will have a significant impact on the future of Georgia being able to support all of its citizens in being productive members of their community. The data and voices of the experts have laid the path where we can find the answers. It is also very clear that employment as the first option for all must be one of the foundations that we move forward from. I hope we choose wisely. The following is suggested.

- Ensure that billing structures promote best practices, incentivize best practices and at the very least do not penalize providers that are providing quality outcomes.

- The payment methodology and structure must be coherent with the values; goals and priorities that must take into consider the Department of Justice outcome expectations.
- Create strong partnerships among federal, state and local stakeholders and funders, including a collaborative agreement with the Department of Labor/Vocational Rehabilitation Services.
- Utilize research and expert opinions in problem solving and decision-making.
- Assist with the development of an Employment First Policy for the state of Georgia.

Additional Acknowledgements

The Georgia Advocacy Office

The Georgia Council on Developmental Disabilities

Institute on Human Development and Disability

Virginia Commonwealth University - RRTC

The University of Massachusetts/Boston - Institute on Community Inclusion

Marc Gold & Associates

Griffin-Hammis Associates

collective alternatives, inc

National Employment First Initiatives

Employment First Georgia