



## The Components of Integrated Employment Service Systems

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### I. Introduction

This is the fourth and final paper in a series of articles on competitive integrated employment (CIE). The first, [Ending Segregated Workshops and Promoting Competitive Integrated Employment](#),<sup>1</sup> addressed relevant legislation, court decisions, and litigation strategies for shuttering segregated employment programs. The second, [Advancing Competitive Integrated Employment through Legal Advocacy Systems](#),<sup>2</sup> surveyed successful policy, legislative, and community stakeholder strategies in reforming systems and requiring CIE in law and practice. The third, [The Components of Integrated Employment Service Systems, Part 1](#),<sup>3</sup> identified several of the foundational pillars of effective integrated employment systems, including: (1) supported employment services; (2) outreach, in-reach, and informed choice; (3) assessment, career development plans, and service planning; and (4) closing sheltered workshops.

This paper discusses the remaining components of an integrated employment system including (1) transitioning individuals from sheltered workshops to integrated employment; (2) the role of vocational rehabilitation; (3) the role of school districts; (4) the role of One Stop Centers; (5) the role of other state agencies; (6) training and technical assistance; (7) provider transformation; (8) public awareness (9) funding; (10) employment outcomes; (11) data and reporting; and (12) monitoring and coordination. Like the previous paper, this article will primarily focus on one state – Oregon – where comprehensive, foundational reforms to the state’s employment service system were dictated by a court-ordered Settlement Agreement, implemented by dedicated state

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<sup>1</sup> Schwartz, S., & Moore, R. (July 15, 2021). Ending Segregated Workshops and Promoting Competitive Integrated Employment (CIE); Legal Foundations for Protection and Advocacy Entities, Part 1. Disability Employment Technical Assistance Center. Retrieved March 6, 2022, Retrieved from: [https://aoddisabilityemploymenttacentert.com/wp-content/uploads/2021/07/DETAC\\_BY\\_Resource\\_PA\\_Legal\\_Foundations\\_Pt\\_1\\_Final\\_508.pdf](https://aoddisabilityemploymenttacentert.com/wp-content/uploads/2021/07/DETAC_BY_Resource_PA_Legal_Foundations_Pt_1_Final_508.pdf).

<sup>2</sup> Moore, R., & Schwartz, S. (September 2021). Advancing Competitive Integrated Employment through Legal Advocacy Systems; Legal Foundations for Protection and Advocacy Entities, Part 2. Disability Employment Technical Assistance Center. Retrieved March 6, 2022, Retrieved from [https://aoddisabilityemploymenttacentert.com/wp-content/uploads/2021/10/DETAC-2021-PA-2\\_Final\\_508.pdf](https://aoddisabilityemploymenttacentert.com/wp-content/uploads/2021/10/DETAC-2021-PA-2_Final_508.pdf)

<sup>3</sup> Schwartz, S., & Moore, R. (March 22), Components of an Integrated Employment Service System, Part 1, Disability Employment Technical Assistance Center. Retrieved July 11,2022



officials, monitored by an independent reviewer, and overseen by a federal judge.<sup>4</sup> While binding Settlement Agreements are limited to a few states, the identified components of successful integrated employment systems, and the effective implementation of those components over the past six years, provide a valuable example of what is necessary and what is possible for transformation of state employment service systems.

## II. Transitioning Individuals from Sheltered Workshops to Integrated Employment

Once the supported employment services, outreach and informed choice, and assessment and service planning components of the employment service system have been implemented, it is possible to transition all individuals with disabilities from sheltered workshops to CIE<sup>5</sup>. To ensure that the state transitions sheltered workshop participants as soon as possible, it should develop concrete and measurable annual transition goals which allow all people with disabilities to leave sheltered workshops and obtain CIE. These goals should reflect the total number of people in sheltered workshops, the state's capacity to develop and locate appropriate integrated employment opportunities, the individual's job preferences, the outcome criteria for CIE,<sup>6</sup> and the state's obligation to ensure that unnecessarily segregated persons can move to integrated employment settings "at a reasonable pace."<sup>7</sup>

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<sup>4</sup> Oregon has developed and collected an extensive set of materials for its employment service system which provides detailed descriptions of its service definitions and requirements; assessment and service planning process; competency and training requirements; funding and billing guidelines; provider instructions, interagency collaborations; data collection and reports; and expected employment outcomes. See <https://www.oregon.gov/DHS/EMPLOYMENT/EMPLOYMENT-FIRST/Pages/policy.aspx>

<sup>5</sup> Everyone in segregated work settings has the personal autonomy to remain in these places; but when presented with all the options, individuals very rarely make a knowing and informed decision to select subminimum wages in segregated workplaces over the opportunity to work in integrated, fully compensated settings.

<sup>6</sup> CIE, as defined in the Workforce Investment and Opportunity Act, means work that is performed on a full-time or part-time basis (including self-employment) for which an individual:

- a. Is compensated at a rate that:
  - (1) Meets or exceeds state or local minimum wage requirements, whichever is higher; and
  - (2) Is not less than the customary rate paid by the employer for the same or similar work performed by other employees who are not individuals with disabilities, and who are similarly situated in similar occupations by the same employer and who have similar training, experience, and skills; or
  - (3) In the case of an individual who is self-employed, yields an income that is comparable to the income received by other individuals who are not individuals with disabilities, and who are self-employed in similar occupations or on similar tasks and who have similar training experience, and skills; and
- b. Is eligible for the level of benefits provided to other employees; and
- c. Is at a location where the employee interacts with other persons who are not individuals with disabilities (not including supervisory personnel or individuals who are providing services to such employee) to the same extent that individuals who are not individuals with disabilities and who are in comparable positions interact with other persons; and
- d. As appropriate, presents opportunities for advancement that are similar to those for other employees who are not individuals with disabilities and who have similar positions.

<sup>7</sup> The Supreme Court in *Olmstead v. L.C.* recognized that States might not be able to transition all persons with disabilities from segregated facilities to integrated settings immediately. 527 U.S. 587, 605096. The Court afforded States some flexibility provided that they had a plan which had clear goals, timelines and was appropriately implemented so that those waiting for integrated services moved "at a reasonable pace." *Pennsylvania Protection and Advocacy v. Pennsylvania Dept. of Public Welfare*, 402 F.3d 374, 381 (3<sup>rd</sup> Cir. 2005).



While most states have experience, data, and outcomes for transitioning people with disabilities from residential institutions to community living arrangements, few have similar experience or data on transitions from sheltered workshops to CIE. However, some states do, and they now provide the benchmarks for an adequate Olmstead plan that moves at a reasonable pace. In Oregon, the Governor issued an Executive Order<sup>8</sup> that, after an initial start-up,<sup>9</sup> required the transition 170 individuals a year from sheltered workshops to CIE and continue to do so for six years.<sup>10</sup> At the end of the seven-year period, the number of people in sheltered workshops would be almost halved. In fact, because Oregon decided to close its workshops altogether to comply with the HCBS settings rule,<sup>11</sup> the number of people in sheltered workshops was zero by the end of year seven.

Oregon had an initial sheltered workshop census of approximately 2,750 people with intellectual and developmental disabilities (I/DD). States with a higher number of people working in sheltered workshops would need to adjust their annual goals upward. States with fewer people working in sheltered workshops should be able to transition all individuals into CIE in a shorter period and eventually eliminate sheltered workshops entirely. While provider capacity, available resources, and economic conditions will impact both the pace and duration of the transition process, closing all sheltered workshops and transitioning all people interested in working into CIE within eight years is demonstrably reasonable.

### **III. The Role of Vocational Rehabilitation**

State Vocational Rehabilitation (VR) services<sup>12</sup> programs are an integral part of a statewide workforce development system. VR programs are charged with providing VR services for people with disabilities consistent with their strengths, resources, priorities, concerns, abilities, capabilities, and interests, so people may make informed choices and access competitive integrated employment, to achieve economic self-sufficiency. For people with I/DD, accessing VR services is more successful where there is a collaborative relationship between the state VR and state developmental disabilities (DD) agencies. This often is accomplished through a working agreement or Memorandum of Understanding (MOU) to facilitate a seamless transition from the determination of eligibility for VR services through initial vocational assessment, Discovery, job development, employer negotiations, and eventually on the job support for six-18 months. The state DD organization should provide the resources for ongoing job supports to assist people with I/DD to maintain meaningful employment and advance career placement. For example, in Oregon, employment providers are required to be certified by both the DD and VR agencies. VR is the

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<sup>8</sup> See Governor John Kitzhaber, Executive Order 15-01, [https://www.oregon.gov/gov/Documents/executive\\_orders/eo\\_15\\_01.pdf](https://www.oregon.gov/gov/Documents/executive_orders/eo_15_01.pdf)

<sup>9</sup> In recognition of the reality that the State had never embarked on an ambitious transition process, and had only recently developed new integrated employment services, the metrics for the first two years – 105 individuals in the first year and 130 individuals in the second – reflected a gradual phase-in of the 170 annual goal. For States that already have the requisite infrastructure in place, and some experience with transitioning individuals from sheltered workshops to CIE, it is more appropriate that they adopt the higher goal at the outset.

<sup>10</sup> The Executive Order and then the Settlement Agreement included lower numerical goals in the final two years to reflect the substantially decreased workshop population and what ultimately turned out to be a widely conservative projection of the number of persons who would remain in these segregated settings.

<sup>11</sup> 42 C.F.R. § 441.530.

<sup>12</sup> Authorized by the Rehabilitation Act of 1973, as amended by Title IV of the Workforce Innovation and Opportunity Act (WIOA). The program provides grants to states to operate statewide VR programs,



initial provider of job development and coaching services, with the DD agency providing ongoing job supports after VR ended each person’s services as a “successful closure.” This relationship was strengthened by an MOU<sup>13</sup> targeted at bringing the State into compliance with Executive Order 15-01 and Workforce Innovation and Opportunity Act (WIOA).

### **A. Vocational Rehabilitation and Transition Age Youth**

VR plays a critical role for youth in transition from school to work. WIOA authorized a comprehensive youth employment program for eligible youth, ages 14-24, who face barriers to education, training, and employment.<sup>14</sup> Local programs provide youth services in partnership with American Job Centers and under the direction of local Workforce Development Boards.<sup>15</sup> One such collaboration in Texas providing pre-employment transition services successfully placed 1,500 youths in work-based learning experiences (WBLEs) in its inaugural year, and 2,400 in its second.<sup>16</sup>

#### **WIOA contains critical and specific provisions related to the realistic advancement of transition aged youth including:**

- 1) 15 percent of each state’s funding allocation for VR services must be designated for transition services for students and youth between the ages of 14 and 24;
- 2) Half of supported employment service funds are designated for youth with significant disabilities;
- 3) Use of subminimum wages must be limited;
- 4) School/VR collaboration is required;
- 5) Supported employment services funds targeted for youth with the most significant disabilities;
- 6) Designated VR funds for Pre-Employment Transition Services.

### **B. The Unique Role of Vocational Rehabilitation Under WIOA for People in Sheltered Workshops**

Section 511 of the Rehabilitation Act (the Act) took effect July 22, 2016, and is consistent with amendments made by WIOA to the Act. The amendments emphasized that individuals with disabilities, including people with the most significant disabilities, can achieve competitive integrated employment as defined in Section 7(5) of the Act, if provided the necessary supports and services.

<sup>13</sup> (2018). *DHS-Intra-Agency Cooperative Agreement Between DDS and VR*. Retrieved June 1, 2022, from <https://www.oregon.gov/DHS/EMPLOYMENT/VR/CooperativeAgreements/ODDS-VR-MOU.pdf>

<sup>14</sup> 34 CFR § 361.48(a)(1)-(2); 29 USCS § 733.

<sup>15</sup> Honeycutt, T., Sevak, P., & Levere, M. (2018, December). *Many hands make employment work: Collaborations between VR ...* - *dol.gov*. Mathematica-MPR.com. Retrieved May 31, 2022, from <https://www.dol.gov/sites/dolgov/files/ODEP/research/SSI-Youth/ManyHandsMakeEmploymentWork.pdf>

<sup>16</sup> Honeycutt, et al, page 5.



### C. Section 511 Limitations on Section 14(c) Subminimum Wage Providers

Section 511 places certain limitations on employers paying a subminimum wage to workers with disabilities. These requirements are in addition to the existing requirements of Section 14(c) of the Fair Labor Standards Act (FLSA). Certificate holders must comply with both sets of requirements.

#### Section 511 prohibits a 14(c)-certificate holder from continuing to pay any employee with a disability a subminimum wage unless:

- 1) The employee receives career counseling and information and referral services;<sup>17</sup> *AND*
- 2) The employer provides the individual with information about self-advocacy, self-determination, and peer mentoring training opportunities available in the individual's geographic area;<sup>18</sup> *AND*
- 3) Career counseling and information and referral services must be provided, and training opportunities must be provided by the employer (or the DSU, as applicable) every six months for the individual's first year of subminimum wage employment and annually thereafter for the duration of subminimum wage employment.<sup>19</sup>

To ensure youth transitioning from education to employment have opportunities to achieve CIE, Section 511 places further limitations on the payment of subminimum wages to people with disabilities under the age of 24. Before youth can be placed in, or remain in subminimum wage work, certain service-related conditions must be met.

#### Under Section 511, if entering or maintaining subminimum wage work, people with disabilities ages 24 or younger must experience:

- 1) Transition services under Individuals with Disabilities Education Act or pre-employment transition services under Section 113 of the Rehabilitation Act, as applicable.<sup>20</sup> *AND*
- 2) Applying for the VR program with the result that—
  - a. the youth was found ineligible, *OR*
  - b. the youth was found eligible; *AND*
    - i. had an individualized plan for employment (IPE);
    - ii. worked toward an employment outcome, as described on the IPE, with appropriate supports and services for a reasonable period without success; *AND*
    - iii. the VR case was closed;<sup>21</sup> *AND*

<sup>17</sup> Section 511(c)(1)(A) of the Rehabilitation Act and 34 C.F.R. § 397.40(a)

<sup>18</sup> Section 511(c)(1)(B) of the Rehabilitation Act

<sup>19</sup> Section 511(c)(2) of the Rehabilitation Act and 34 C.F.R. § 397.40(c)

<sup>20</sup> Section 511(a)(2)(A) of the Rehabilitation Act and 34 C.F.R. § 397.20(a)(1)

<sup>21</sup> Section 511(a)(2)(B)(i) of the Rehabilitation Act and 34 C.F.R. § 397.20(a)



**Under Section 511, if entering or maintaining subminimum wage work, people with disabilities ages 24 or younger must experience:**

- 3) Receipt of career counseling and information and referral services to Federal and State programs and other resources in the individual's geographic area that offer employment-related services and supports designed to enable the individual to explore, discover, experience, and attain competitive integrated employment.<sup>22</sup>

Youths must receive these services once every six months for the first year of subminimum wage employment and annually thereafter for as long as the youth remains employed at subminimum wage.<sup>23</sup>

Oregon initially created an ineffective 511 career counseling program relying on local VR counselors to do group presentations to sheltered workshop employees. Not surprisingly, this approach generated very limited interest in CIE. The VR agency then decided to retain experienced supported employment professionals to provide career counseling to people with disabilities in approximately half of the state's sheltered workshops and continued to rely upon VR counselors to offer counseling to the other half. Under the revised program, each team of counselors met individually with each subminimum wage worker and explained the benefits of CIE, the opportunities to work in competitive employment, and the supports available from VR. The results were remarkably different from the original model as well as within the variants of the revised model: approximately 75% of the group counseled by the supported employment professional expressed an interest in CIE and when promptly referred to VR, while only 25% of the group who met with VR counselors indicated an interest in CIE. Based upon these outcomes, the VR agency further revised the 511 program and now relies exclusively on supported employment professionals who meet individually with all subminimum wage workers. The outcomes of this further revised program have been consistent over several years: between 80-90% of workers indicate an interest in working in competitive employment and are promptly referred to VR. Virtually all referred individuals are deemed eligible for VR and provided with Discovery and other related employment services.

Section 14(c) certificate holders also must obtain, verify, and maintain copies of documentation proving that each youth has received and completed all activities or services required.<sup>24</sup> In addition, Section 14(c) certificate holders may no longer pay subminimum wages to *any* individual with a disability, regardless of age, unless they review and verify documentation that the person has received career counseling, information, and referrals and the employer has provided the individual with information about self-advocacy, self-determination, and peer mentoring training opportunities available in the local area.<sup>25</sup>

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<sup>22</sup> Section 511(a)(2)(B) of the Rehabilitation Act and 34 C.F.R. § 397.20(a)(3)

<sup>23</sup> Section 511(c)(2) of the Rehabilitation Act and 34 C.F.R. § 397.40(c)

<sup>24</sup> Section 511(a) and (e) of the Rehabilitation Act

<sup>25</sup> Section 511(e) of the Rehabilitation Act and FAB No. 2016-2





## **IV. The Role of School Districts and the State Education Agency**

Upon high school graduation, the preferred outcome for youth with disabilities after postsecondary education is CIE. Local Education Districts/Agencies (LEAs) and State Education Agencies (SEAs) play a key role in implementing and actualizing meaningful CIE. Successful transition of youth from school to work usually includes coordination and collaboration between LEAs, SEAs, and VR agencies. WIOA establishes requirements for collaboration between these key agencies.<sup>26</sup> Early alignment of targeted funding and service resources specifically tailored to address the needs of youth can provide the foundation and resources necessary to ensure that professionals across systems have the requisite competencies to support youth to effectively transition from school to work and careers.<sup>27</sup>

This infrastructure includes training and supporting transition coordinators in each school district with respect to their integral role in advancing CIE. School personnel must be equipped to assist youth in transition - as early as 14 years old - in obtaining valuable community-based work experiences, which allow them to explore their vocational interests, build work skills, discover their interests, talents, and preferences, and construct a frame of reference for making informed career choices. Early transition planning, while students are still in school, is critical. For example, California's Department of VR reported that, in 2017, 57% of all individuals under the age of 25 who applied for VR services were referred to VR agencies from elementary and secondary schools.<sup>28</sup>

CIE opportunities can take many forms, such as internships, mentorships, and apprenticeships,<sup>29</sup> as well as summer jobs and summer youth programs through established agreements with employers who offer employment during school holidays or breaks.<sup>30</sup> Employment opportunities for youth include existing jobs or tailored jobs created through customized employment negotiated with an employer. Segregated employment internships or summer jobs, either in existing sheltered workshops or in "mock" sheltered workshops that provide separate employment for youth with disabilities in school programs, should not be allowed. Similarly, referrals to segregated or sheltered employment as part of the transition process should be prohibited. SEAs should adopt policies, and then require and monitor compliance by local LEAs, banning the creation, reliance, or referral to segregated employment. Prohibiting this practice creates a positive expectation for youth

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<sup>26</sup> Rehabilitation Services Administration, Regulations Implementing the Rehabilitation Act of 1973, as Amended by the Workforce Innovation and Opportunity Act (n.d.). U.S. Department of Education. Retrieved June 6, 2022, from <https://www2.ed.gov/about/offices/list/osers/rsa/wioa/transition-of-students-and-youth-with-disabilities-from-school-to-postsecondary-education-and-employment.pdf>. (at pages 49-53).

<sup>27</sup> Office of Disability Employment Policy, Pugh, L., Brooke, V., Wu, P., Perez, S., Lewis, S., & Berthiaume, D., United States Dept. of Labor (n.d.). Retrieved June 6, 2022, from <https://www.dol.gov/sites/dolgov/files/odep/pdf/transitiontocareers.pdf>.

<sup>28</sup> Rehabilitation Services Administration, Regulations Implementing the Rehabilitation Act of 1973, as Amended by the Workforce Innovation and Opportunity Act (n.d.). U.S. Department of Education. Retrieved June 6, 2022, from <https://www2.ed.gov/about/offices/list/osers/rsa/wioa/transition-of-students-and-youth-with-disabilities-from-school-to-postsecondary-education-and-employment.pdf>.

<sup>29</sup> Office of Special Education and Rehabilitative Services, A Transition Guide to Postsecondary Education and Employment for Students and Youth with Disabilities (2020). United States Department of Education. Retrieved June 6, 2022, from <https://sites.ed.gov/idea/files/postsecondary-transition-guide-august-2020.pdf>. (at pages 4-11)

<sup>30</sup> These youth programs are often available through the YMCA, Boys and Girls Clubs, Centers for Independent Living, or employer agreements through VR.



to have real jobs and for them and their parents to envision a future other than placement in segregated settings. Setting the expectation for employment for youth with disabilities exiting school and preparing for lives that reflect the lives of their same age peers is a pivotal step towards ensuring robust CIE.

The *Lane* Settlement Agreement required that Oregon provide vocational services leading to integrated employment for 4,900 for youth with I/DD transitioning from public schools, and that at least half of these youth are provided services by VR, pursuant to an Individual Employment Plan (IEP). Oregon revised its transition planning process, encouraged all school districts to begin the process at age 14, trained all transition coordinators about CIE, significantly expanded summer work opportunities for youth with I/DD, required coordination between school districts and local VR offices, and banned mock sheltered workshops.<sup>31</sup> The Settlement Agreement established a framework for not only advancing CIE for youth, but also closing the school-to-workshop pipeline.

## **V. The Role of Department of Labor One-Stop Centers**

One-Stop centers provide a spectrum of employment services that connect people with disabilities to work-related training and education. The enactment of WIOA emphasized the expansion of One-Stop centers to achieve meaningful results for job seekers, workers, and businesses. WIOA funding facilitates services within One-Stop centers by aligning investments and partnerships in workforce, education, and economic development to regional in-demand jobs.

One-Stop centers provide employment services and other supports to people with disabilities who are interested in work-related training and employment. Individuals who receive Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) and who wish to attain economic security and gainful employment receive information about how income may or may not affect cash benefits and health benefits. If an SSDI or SSI beneficiary becomes employed, certified community work incentive coordinators provide benefits advisement over a period of time.

Ideal partnerships include collaboration with VR to provide individuals with an integrated resource team using best practices to secure work-related training for employment in positions that are matched to each person's skills and interests and meet in-demand employer needs. WIOA reinforces these collaborative partnerships and strategies necessary for high-quality career services, education, training, and supportive services needed to obtain desirable jobs, maintain employment, and help businesses to find skilled workers who contribute to organizational success.

## **VI. Training and Technical Assistance**

Training and technical assistance are necessary safeguards to assure that the intended quality outcomes, and not simply the numerical goals, of integrated employment systems are meaningfully achieved. In the absence of training and technical assistance, employment

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<sup>31</sup> See <https://www.oregon.gov/ode/Pages/search-results.aspx?q=sheltered%20workshops>. For an overview of Oregon's transition process, see <https://www.oregon.gov/ode/students-and-family/SpecialEducation/GeneralSupervision/Documents/new%20sped%20directors/New%20Director%20Presentation%20february%202022.pdf>





programs and systems can default to “readiness” models<sup>32</sup> that delay or preclude people with disabilities from accessing CIE. Conflicts of interest and competing priorities such as practices driven by staff convenience, or reimbursement models that incentivize billing direct service hours over actual employment outcomes, can derail more effective job development and employment support practices. For employment service providers there are often internal and external pressures to provide services (e.g., day supervision) other than employment or to exclude people with more significant support needs.

Successful mission-driven businesses and organizations must routinely train and retrain employees to competently meet the needs of their individual customers. The disability employment field has moved increasingly towards professionalizing and personalizing the roles of employment specialists, and requiring employment providers upskill or reskill their job developers and employment specialists according to national accreditation standards.<sup>33</sup> Core competency training for employment provider staff often include key areas such as: outcomes measures of quality CIE, person-centered planning for employment, Discovery, experience-based informed choice, job development, employer negotiations, job placement, and best practices in supporting people with disabilities in CIE.

Oregon developed and implemented separate core competencies for job developers, job coaches, and service coordinators that must be met within one year of employment.<sup>34</sup> Pursuant to state regulations, every employment provider must have at least one supervisor who meets the national accreditation standards of either Association of People Supporting Employment (APSE) or Association of Community Rehabilitation Educators (ACRE).<sup>35</sup> It created a database for tracking compliance with these requirements to ensure that all employment professionals and service coordinators understand the principles and values of integrated employment, and that all employment staff are trained and competent in providing CIE.

To support employment agencies in meeting these requirements, Oregon contracted with the Washington Initiative for Support Employment (Wise) to create an array of training modules

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<sup>32</sup> Callahan, M. (2010). The Productivity Fallacy: Why People Are Worth More Than Just How Fast Their Hands Move. *TASH Connections*, 36(2). Retrieved June 11, 2022, from <https://member.tash.org/store/viewproduct.aspx?id=4975329>.

<sup>33</sup> The most well recognized certification programs are offered through the Association of People Supporting Employment First (APSE), available at <https://apse.org/cesp-central/> and the Association of Community Rehabilitation Educators (ACRE), available at <https://www.acreeducators.org/certificates.html>.

<sup>34</sup> The core competencies for employment providers are available at <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Documents/Core%20Competencies%20and%20Training%20Standards%20for%20%20Supported%20E%20employment%20Professionals.pdf>. The core competencies for service coordinators are available at <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Documents/Core%20Competencies%20and%20Training%20Standards-pa-sc.pdf>. A worker’s guide for describing qualifications and training requirements is available at <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Policy/Employment-Professional-Qualifications-Training-Worker-Guide.pdf>.

<sup>35</sup> See Oregon Administrative Rule 411-345-0030. For a list of approved trainings, see <https://www.oregon.gov/dhs/SENIORS-DISABILITIES/DD/Documents/Department-Approved%20Employment%20Service%20Provider%20Training%20Courses.pdf>



which initially were delivered in-person and later, remotely.<sup>36</sup> It tracked the number and type of training events, staff trained, and competencies achieved.<sup>37</sup> After five years, the training modules were revised and expanded, and then transferred to Oregon's employment system, so that the state could continue to provide and monitor a robust training program.

## VII. Provider Transformation

Building capacity for CIE on a local, state, and national level requires investing in systems change efforts that include resources and technical assistance for transforming segregated work programs. This transformation includes the downsizing and closure of facility-based or sheltered workshop services, monitoring the transformation to ensure that it moves at a reasonable pace, and realigning policies, service delivery practices, and funding structures to create CIE for people previously receiving sheltered workshop services.

Transformation can be a complex undertaking that involves changing mindsets of key stakeholders (e.g., people with disabilities, family members, funders, and traditional service providers), as well as shifts in organizational culture, business models, partnerships with employers, and provider staff who may not be adequately trained to help people with disabilities obtain CIE and launch their careers.

Transformation of employment programs and service systems produces lifechanging benefits for former sheltered workshop participants as they leave segregated settings to access CIE. Transformation also effectively shuts the pipeline to segregation for transition age youth and adults newly accessing publicly funded services through I/DD, VR, and workforce systems. Some of those benefits include greater income potential, improved self-esteem, an enhanced identity as a worker, and increased exposure to and participation in everyday community life.

The key drivers of transformation are the underlying beliefs surrounding the capabilities of people with disabilities, the clear commitment from all stakeholders to CIE- often under a framework of a statewide *Employment First* strategy,<sup>38</sup> adequate funding for the evolutionary process of transformation, and leadership. Retaining both national experts and local agencies that already successfully transformed their programs from sheltered to competitive employment as mentors and technical assistance providers elevates the commitment to transformation and advances its success.

Early in its system transformation efforts and as required by the *Lane* Settlement Agreement, Oregon created a provider transformation initiative. It secured one-time state appropriations, and then used supplemental federal funds, to award grants to sheltered workshop and day habilitation providers that were interested in transforming their business models and shifting to integrated employment services. Each grant required a business plan, a transformation plan, and explicit transition goals for the number of sheltered workers who would achieve CIE. Incentive payments

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<sup>36</sup> See Employment First Capacity Report, October 2021, Sec. II.F. available at <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Documents/2021-Capacity-Report.pdf>

<sup>37</sup> *Id.*, Sec. II.G.

<sup>38</sup> *Employment First*, defined by the United States Department of Labor as a framework for systems change that is centered on the premise that *all* citizens, including people with significant disabilities, are capable of full participation in integrated employment and community life. See <https://www.dol.gov/agencies/odep/initiatives/employment-first#>



were made to providers if individuals also obtained a job working at least 20 hours per week. Each grantee was paired with a mentor agency that had successfully closed its sheltered workshop and converted to a supported employment model. Eventually the state issued three rounds of transformation grants that resulted in the transformation of all but one sheltered workshop provider to a supported employment program.<sup>39</sup>

## **VIII. Public Awareness**

Because achieving the goal of integrated employment for all people with disabilities requires the cooperation and support of business and industry, educating their leaders is a necessary activity to achieving the goals of Employment First. Business owners, private employers, and community leaders are often not aware of the abilities, talents, and interests of people with disabilities, and frequently have little to no experience with their job skills. Educating them about the employment potential of people with disabilities, including individuals with significant disabilities and challenges, is an essential element of a successful full employment program.

Public education and awareness campaigns must be multi-dimensional, using a broad array of strategies to inform a wide range of stakeholders about the abilities of people with disabilities to work. Public service announcements, targeted media presentations, video, and social media distributions, and, most importantly, personal success stories that highlight both the accomplishments of individual workers and testimonials from their employers are needed. One impressive example of these approaches is incorporated in Oregon's I Work, We Succeed campaign.<sup>40</sup> The campaign has developed a brand,<sup>41</sup> distributed a wide range of public service announcements that regularly appear on the sides of public transportation,<sup>42</sup> and widely disseminated success stories of individuals,<sup>43</sup> testimonials of families,<sup>44</sup> and inspiring statements from employers.<sup>45</sup> Most light rail cars in Portland, many buses in Eugene, and numerous buildings throughout the State project the message that has now permeated private and public employment. The campaign is considered enormously successful locally and is being emulated in other states. As a result, businesses everywhere, and particularly during this period of recovery from the pandemic, are aware that employing people with disabilities is a wise business decision rather than simply a caring public responsibility.

## **IX. Funding**

Transforming a segregated employment program that primarily provides activities in sheltered workshops to an integrated employment program that exclusively offers supports for working in CIE requires both intentional efforts and dedicated resources. Many of these efforts involve one-time activities like developing the administrative infrastructure for CIE; creating policies,

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<sup>39</sup> An overview of the transformation program is set forth in the Employment First Capacity Report, 2021, available at

<https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Documents/2021-Capacity-Report.pdf>

<sup>40</sup> <https://www.oregon.gov/dhs/employment/employment-first/Pages/I-Work-We-Succeed.aspx>

<sup>41</sup> <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Documents/DHS-9425-Generic-Brochure.pdf>

<sup>42</sup> See <https://sharedsystems.dhsoha.state.or.us/DHSForms/Served/de9447a.pdf>

<sup>43</sup> See <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/SUCCESS-STORIES/Pages/index.aspx>

<sup>44</sup> See <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Pages/families-individuals.aspx>

<sup>45</sup> See <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Pages/employer-info.aspx>



procedures, and programs that delineate the guidelines for CIE; training employment staff and transforming employment providers to deliver CIE; and creating outcomes and data systems that assess performance in achieving CIE. These mostly one-time activities require short-term investments from state and federal funding to provide the foundation for CIE. Federal Medicaid HCBS waiver programs, which are used by many states to fund supported employment services for people with disabilities, provide a significantly heightened reimbursement rate for administrative costs, which can be used to cover many of these one-time development activities. Moreover, substantial federal funds are temporarily available through the various pandemic recovery programs under the American Plan for Recovery Act (ARPA) ([See DETACs 9817 Fact Sheet](#)). States can and should use these federal resources, combined with special state appropriations, to transform their employment service system.

There is considerable research and emerging data demonstrating that the ongoing costs of integrated employment are no more expensive, and arguably less so, than maintaining sheltered workshops.<sup>46</sup> While the ongoing costs of supported employment services are driven in significant part by provider rates, and while there are various methodologies for establishing these rates designed to promote positive employment outcomes while maximizing cost-effectiveness,<sup>47</sup> the annual funding of integrated supported employment services should not substantially exceed that of maintaining segregated sheltered workshops. As a result, over the long term, there is not likely to be a need for significant increases in state funding to provide CIE.

## X. Employment Outcomes

WIOA's goal is to address the pervasive unemployment and low workforce participation among people with significant disabilities. Meaningful employment promotes enhanced physical and mental health status and provides many dimensions of social integration, such as interpersonal networks, social identities, and economic security. Successful employment outcomes for people with disabilities begin with basic indicators universal to all employees, such as hours worked, wages earned, benefits accrued, and employment stability achieved. In addition, the WIOA definition of CIE requires equal opportunities for promotion and career advancement, and level of interaction with non-disabled peers at the same rate as their coworkers without disabilities.

A federal advisory committee on increasing competitive integrated employment for individuals with disabilities was established by Section 461 of WIOA to develop recommendations for increasing employment of people with significant disabilities through opportunities for CIE. Their recommendations identify more detailed areas where data should be collected, and specific outcomes identified.

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<sup>46</sup> Cimera, R.E. (2011), Supported Versus Sheltered Employment: Cumulative Costs, Hours Worked, and Wages Earned, *Journal of Vocational Rehabilitation*, Vol.35, pp. 85-92; Cimera, R.E. (2008), The Cost-Trends of Supported Versus Sheltered Employment, *Journal of Vocational Rehabilitation*, Vo. 28, pp. 15-20; Declaration and Report of Robert Cimera in *Lane v. Brown*, <https://publicrep.wpengine.com/wp-content/uploads/2017/02/Cimera-Rebuttal-Report.pdf>

<sup>47</sup> States and CMS are increasingly shifting from a fee for service payment methodology, which compensates providers at a fixed rate for all face-to-face time spent with service recipients, to an incentive payment methodology, which compensates providers based upon the hours the individual works at a competitive job, and gradually reduces these payments over time for expected decreases in needed support (fading).



**The committee’s final report<sup>48</sup> recommended regular and uniform collection and reporting by states of individual employment outcome data to be required to ensure accountability of funding and, at a minimum, would include:**

- 1) number of people employed in jobs that meet the definition of CIE, including that the “employer of record” be the same as for people without disabilities and not the service provider,
- 2) wages earned,
- 3) hours worked,
- 4) length of time in CIE, and
- 5) benefits (e.g., paid days off)

**To capture employment outcomes more fully for people with disabilities, and the public benefits of people being employed, the committee also recommended consideration be given to states collecting data on:**

- 1) income level over time,
- 2) taxes paid, and
- 3) reduction of public income support (cash benefits from SSA, Temporary Assistance for Needy Families-TANF, Supplemental Nutrition Assistance Program-SNAP, and the reduction of medical coverage resulting from primary insurance through employers)

Based in significant part on the WIOA requirements, VR expectations, and the committee’s recommendations, Oregon established CIE as the desired outcome for all employment services, including its requirement that all work must be in an integrated setting with equal access to non-disabled employees; the same conditions, benefits, and opportunities as similarly-situated non-disabled employees; compensation at the state minimum wage (gradually increasing to \$15/hour; and a goal of working at least twenty hours per week.<sup>49</sup> All mandatory metrics and transition requirements in the Settlement Agreement are based upon those who achieve these outcomes.<sup>50</sup>

Significantly, it appears that Oregon has achieved these outcomes for over 1,115 people with disabilities who were formerly segregated in sheltered workshops, for over 4,900 youth who have left school and begun working in CIE, and for hundreds of other individuals with IDD who were interested in working at real jobs for real pay.<sup>51</sup> In addition, over an eight year period, the

<sup>48</sup> Advisory Committee on Increasing Competitive Integrated Employment for Individuals with Disabilities, Final Report: Advisory Committee on Increasing Competitive Integrated for Individual with Disabilities. (2016). Retrieved June 8, 2022, from

[https://www.dol.gov/sites/dolgov/files/odep/topics/pdf/acicieid\\_final\\_report\\_9-8-16.pdf](https://www.dol.gov/sites/dolgov/files/odep/topics/pdf/acicieid_final_report_9-8-16.pdf).

<sup>49</sup> See <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Policy/Worker-Guide-20%20hours-11-1-19.pdf>.

<sup>50</sup> See Settlement Agreement, Secs. II.2, VI.3 and VII.1.

<sup>51</sup> See Employment First Data Report, February 2022, available at <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/DataReports/2022-02-Lane-vs-Brown%20Report.pdf>





number of people working in CIE increased almost 500% -- from 375 to 1750 – and the average hours worked per week increased more than 250% -- from seven to 17.<sup>52</sup>

## **XI. Data and Reporting**

A necessary component of any service system, and an essential component of an integrated employment service system, is a robust method for collecting and reporting data on employment goals, outcomes, and progress in achieving CIE for all people with disabilities. For many states, and particularly those which have relied on segregated employment, creating a comprehensive and accurate data collection and reporting capacity will require significant investments and enhanced expectations from providers. The investments will usually involve both expanded capacity to collect and analyze information concerning the number of individuals with different disabilities (I/DD, serious mental illness (SMI), autism spectrum disorder (ASD), and physical disabilities) receiving: (1) vocational rehabilitation services, (2) employment services from the relevant state agencies, and (3) transition services from local school districts, as well as the type, frequency, duration, and outcomes of these services for all three groups. The enhanced expectations of providers will require them to report on individual employment outcomes, including wages earned, hours worked, and job stability.

### **A. Employment Outcome Data**

Because the fundamental goal of an integrated employment service system is to allow all people with disabilities to obtain CIE, and because the desired outcomes of CIE are measured by wages earned, hours worked, benefits paid, job stability and integration, the system must have the capacity to collect and analyze data on these five outcomes. And because this information is both individualized, not routinely available from claims or service utilization data, the system must require employment providers to collect and report this information on a periodic basis. The information is crucial to assessing the system's progress in achieving the goal of CIE for all people with disabilities, as well as its progress in achieving incremental goals. Reports on employment outcome data allow service recipients, people with disabilities and their families, advocacy organizations, stakeholders, agency officials, and legislators to understand the system's achievements as well as individual benefits of integrated employment.<sup>53</sup>

### **B. Provider Capacity Data**

To achieve the goals of CIE, the system must ensure that there are enough trained employment professionals throughout the state to provide each of the core employment services: Discovery, job development, job coaching, as well as related employment supports. Information on the number, availability, and skills of employment providers is important to allow individuals with disabilities and their families to access employment services, as well as state officials to assess the statewide and regional capacity of local employment agencies to provide these services. Reports on

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<sup>52</sup> Compare Employment First Data Report, January 2014 with Employment First Data Report, September 2019, <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Pages/data-reports.aspx>

<sup>53</sup> Oregon publishes a semi-annual Employment First Report that includes detailed information on service utilization, wages, hours, and provider results for both vocational rehabilitation and IDD employment professionals. See <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/DataReports/Lane-v-Brown-Semi-Annual-Report-September-2021.pdf>





individual provider capacity and accomplishments,<sup>54</sup> as well as live data on provider availability, are essential to achieve these goals.<sup>55</sup>

### C. Vocational Rehabilitation Data

The Rehabilitation Services Administration (RSA) requires state vocational rehabilitation agencies to collect and report annually on several data points, including applications, eligibility determinations, individual plans for employment, closures, and timelines for various categories of disability. Because this information often varies considerably by region, it is important that the state VR agency disaggregate this information by local office. In addition, it needs to collect information on its activities supporting students in transition, including participation in IEPs, and post-transition services. Finally, it is essential that all information provided to RSA be publicly disseminated to participants, stakeholders, and public officials.

### D. School Data

Few states require local school districts to collect information about students with disabilities who receive transition services, employment training opportunities during the school year, summer employment, VR involvement, or post-school employment outcomes. Given the widespread pattern of schools referring students with disabilities to segregated employment, or even preparing students for a transition to a sheltered workshop, it is important for the state education agency to require local school districts to start collecting, reporting, and disseminating this information.<sup>56</sup>

## XII. Monitoring and Coordination

### A. Interagency Collaboration

The successful implementation of an integrated service system requires the collaboration of multiple state agencies, including the state entities responsible for services to people with various disabilities (I/DD, SMI, ASD, and physical disabilities), vocational rehabilitation, education, and labor. Interagency agreements or memoranda of understanding between and amongst these agencies are needed to describe their respective roles and responsibilities, allow for the sharing of confidential information, and identify the funding streams and levels of contribution of each to the statewide initiative. While separate agreements between each agency are minimally necessary, a joint interagency agreement (ISA) that includes all the agencies that have some role in the integrated employment service system is preferable.<sup>57</sup> The ISA should be updated periodically as the system evolves, and the agency's respective roles increase.

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<sup>54</sup> *Id.* In addition, Oregon issued a separate report focused exclusively on efforts to expand provider capacity.

<https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Documents/2021-Capacity-Report.pdf>

<sup>55</sup> Oregon created a user-friendly website that allows anyone to learn about the capacity of all employment agencies in each region of the state to provide each type of employment service, including the number of employment professionals and the agency's available capacity to provide timely services. See <https://eos.oregon.gov/Provider>

<sup>56</sup> See <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Documents/Post-School-Outcomes-2020-21%20Results.pdf>

<sup>57</sup> Recognizing the importance of interagency collaboration, Oregon's executive order required ISAs amongst identified agencies, including VR, DD, and education, See Executive Order 15-1, Sec. XI, [https://www.oregon.gov/gov/Documents/executive\\_orders/eo\\_15\\_01.pdf](https://www.oregon.gov/gov/Documents/executive_orders/eo_15_01.pdf) The most recent agreement between these agencies describes their responsibilities to support the integrated employment system.



## **B. Employment First Leadership**

Because no single agency is singly responsible for, or capable of, designing, administering, and implementing an integrated employment service system, it is necessary for all the responsible agencies to share the vision and provide the leadership for the successful implementation of this system. It is helpful for the agencies, through the ISA, to assign a lead role to one agency to oversee this coordinated effort, and to support a coordinator position to manage this effort. For instance, an Employment First Coordinator can assume the primary role for ensuring that the general Employment First Policy and, the specific goals, tasks, activities, and outcomes of the integrated employment service system are managed, monitored, and implemented in a timely manner.<sup>58</sup>

## **C. Quality Improvement**

All service systems customarily have a quality improvement plan that describes areas for improvement, goals and outcomes, specific roles and responsibilities, and data and information that measures progress towards achieving the desired goals. This is especially important for an integrated employment service system which often is transforming employment services from segregated workshops to CIE. The quality improvement plan should be developed with input from stakeholders, be updated periodically, and generate annual reports on progress.<sup>59</sup>

## **D. System Evaluation**

In addition to the evaluation mechanism of the data reports and quality improvement reports which performance and outcomes at a system level, it is highly desirable to develop a process for evaluating the programs, services, and outcomes at an individual level. One proven method for doing so is a client review that conducts an in-person evaluation of a sample of individuals who receive some form of employment services (VR, I/DD, transition). The sample should be stratified to fairly represent individuals who are involved with different agencies, services, and regions, so that information generated from the review can be generalized to all individuals who receive employment services from these different sources and locations. A client review elevates the voices and experiences of people with disabilities and their service providers in ways that are more direct, compelling, and relevant than numerical and other data.<sup>60</sup>

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[https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Policy/Cooperative\\_Agreement\\_VR\\_ODDS\\_ODE.pdf](https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Policy/Cooperative_Agreement_VR_ODDS_ODE.pdf)

There is a separate agreement between the DD agency and the Department of Labor.

<sup>58</sup> Oregon created a position of Employment First Coordinator in the Office of Developmental Disability Services (ODDS) to perform this function, as mandated by executive order. See Executive Order 15-1, Sec. IX.2, [https://www.oregon.gov/gov/Documents/executive\\_orders/eo\\_15\\_01.pdf](https://www.oregon.gov/gov/Documents/executive_orders/eo_15_01.pdf)

<sup>59</sup> Oregon's executive order required a quality assurance plan that was updated regularly. *Id.* at Sec. XII. Several agencies, including ODDS, VR, ODE (education) collaborated on creating the plan, and contribute to progress reports and updates. See <https://www.oregon.gov/dhs/EMPLOYMENT/EMPLOYMENT-FIRST/Documents/Post-School-Outcomes-2020-21%20Results.pdf>

<sup>60</sup> The Independent Reviewer in Oregon, like monitors in other systemic cases, conducted a client review bi-annually. Her findings were instrumental in assessing compliance with the Settlement Agreement, and, equally importantly, in identifying the strengths and weakness of the emerging integrated employment service system. Several states, like Arizona, Massachusetts, and New Mexico, have adopted a client review form of evaluation, even after a system reform case ended.



### **XIII. Conclusion**

Transforming a state's employment service system from one that relies primarily on segregated sheltered workshops to one that empowers people with disabilities to achieve CIE is a complex and challenging enterprise. But it is a necessary undertaking both to comply with federal law, including Title II of the ADA, WIOA, and the HCBS settings rule, and to allow people with disabilities to fully participate in the community. Some states have already accomplished several elements of this transformation, and many more have at least begun the process. All should be pressed to complete this transformation in the near future. By focusing on the four components of an integrated employment system discussed in the prior paper, and the 12 elements described above, advocates can ensure that their states fully complete this transformation effectively, efficiently, and promptly, and advance employment for people with disabilities.

