

**Iowa Olmstead Consumer Taskforce:  
Statement on the Application of *Olmstead* Principles to Employment Services  
January 11, 2013**

The Olmstead Consumer Taskforce strongly endorses Iowa's inter-agency employment initiatives focused on the following outcome:

*“Employment in the general workforce is the first priority and the expected and preferred outcome in the provision of publically funded services for all Iowans with disabilities.”*

Employment is defined as: *“Regular or customized employment in the general workforce, where employees with disabilities are paid by the business (unless self-employed), at minimum or prevailing wages and benefits.”* Customized employment services includes career planning centered on an individual's goals and preferences, and individualized supported employment services providing the supports people need to get and maintain a job at or above minimum wage, in an integrated work setting.

Recognizing the complexity of the issues, the Taskforce supports the following steps to develop an employment service system consistent with *Olmstead* principles:

1. Consistent with the DHS Olmstead Plan for Mental Health and Disabilities Services, state agency partners should intensify efforts to establish an early understanding, among students with IEPs and 504 plans and their families, of the option of competitive employment. The partners should work with Parent-Educator Connection staff, Special Education Directors, ADA and 504 Coordinators and disability support groups to increase preparation, placement and support services resulting in transition to employment.
2. Pre-vocational services should be focused on the community employment goal and be time limited, consistent with federal guidance.
3. Iowa should add the career planning service as outlined in federal guidance and consider adding a benefits planning service to the menu of employment services and supports.
4. “Core services” under mental health and disability services redesign should not include services provided in sheltered workshops. There should be a phased reduction in funding for facility-based employment services within a set time frame. The Taskforce recommends that the shift to integrated employment services be completed within the next five years.
5. Supported employment providers should be incentivized through adequate reimbursement and should have access to the technical assistance and direct support staff training they need to build service capacity, This should include assistance to shift from a facility based to a community based employment services business model.
6. Businesses with good track records in employing people with disabilities should be recognized at the state and community level and be encouraged to mentor other businesses.

**Background.** The low employment rate of people with disabilities results in wasted human potential, an unnecessary drain on the Social Security Trust Funds, and the relegation of millions of people to permanent poverty status. In 2010, the national employment rate for people with disabilities of working age was 33.4%, compared to 72.8% for people without disabilities. For lowans with disabilities, the employment rate was 44.5% compared to 81% for those without disabilities. (Rehabilitation Research and Training Center on Disability Statistics and Demographics: *2011 Annual Disability Statistics Compendium*) People with disabilities want to work in community based jobs, and with the proper supports, *can* work and contribute to the local economy.

**Barriers to Employment of People with Disabilities.** According to The Arc of the United States, “*Barriers to employment include, first and foremost, low societal expectations that foster job discrimination. In addition, unrealistically low limits on assets and earnings make people fear losing vital public benefits if they work too many hours or earn too much. Systemically, public resources fund service hours rather than outcomes and are often neither sufficient nor flexible enough to allow collaboration and blending of employment funding streams. Lack of other services like transportation or of accommodations like assistive technology can also hinder success.*”

**Iowa’s Inter-Agency Partnership.** The State of Iowa has been working for over a decade to support employment outcomes by raising awareness of federal work incentives for people concerned about losing Social Security, Medicare or Medicaid benefits, and by focusing attention on the transition of young people with disabilities from school to work and independent living. In the last three years this work has been accelerated and enhanced under the Employment First, State Employment Leadership Network, the Iowa Coalition for Integrated Employment, and other initiatives.

Under Title II of the Americans with Disabilities Act, states are required to provide services in the most integrated setting appropriate to the needs of persons with disabilities. This includes employment services. Currently, however, about 80% of state spending on employment services is on “pre vocational” services mostly in facility-based settings (“sheltered workshops”), and the remainder on community based services. Internal review by DHS shows that pre-vocational services in sheltered workshops seldom lead to employment in integrated settings, and that compared to supported employment they are much less cost-effective. Other states have achieved much better outcomes. In the state of Washington, for example, 62% of people with developmental disabilities work in integrated settings, and the state is convinced it can do better. Under an Employment First grant to Iowa Vocational Rehabilitation Services, Washington is mentoring Iowa’s efforts to shift its resources to service models that produce the desired outcomes. The Iowa Coalition for Integrated Employment and MHDS are also working toward the goal of integrated community based employment.

Until that shift happens, Iowa is at risk of a finding of noncompliance with the ADA by the U.S. Department of Justice, which recently cited the state of Oregon for unnecessary reliance on the use of sheltered workshops. (Letter to the Attorney General for the State of Oregon dated June 29, 2012)