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**House Committee on Commerce  
and Economic Development  
February 21, 2011**

**Kansas Employment First  
Initiative Act (HB 2336)**

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Chairman Brown and members of the Committee, thank you for the opportunity to appear before you today to discuss the Kansas Employment First Initiative Act. I will also provide a brief update about the SRS services and initiatives that focus on employment of Kansans with disabilities.

SRS strongly supports the principles of the Kansas Employment First Initiative Act. People with disabilities should have equal opportunity to pursue competitive, integrated employment – real jobs in their communities at wages commensurate with their non-disabled peers. There should also be an expectation of employment for people with disabilities, just as employment is an expectation for all working age adults. Further, SRS supports the principle that state programs, policies and funding should support competitive, integrated employment as the optimal outcome of services provided.

Employment is the critical path out of poverty for people with disabilities. Without the opportunity to become self-sufficient through employment, people with disabilities face difficult economic challenges. For example:

- 34% of Kansans with disabilities live below 150% of the federal poverty level, compared to 16% of their non-disabled peers. (American Community Survey/U.S. Census Bureau)
- People with disabilities are likely to experience a variety of material hardships, such as inability to pay for a place to live or pay for utilities. 62% of people with disabilities experience food insecurity with hunger. (Mathematica Policy Research/Center for Studying Disability)
- For youth with disabilities who begin receiving Supplemental Security Income (SSI) before age 18, there's a lifetime of poverty. They spend an average of 27 years receiving benefits – and those benefits average only \$498 a month. (The Social Security Advisory Board, September 2006)
- Only 10% of Kansans with developmental disabilities are in supported or competitive employment, ranking Kansas 46<sup>th</sup> in the nation in terms of supporting meaningful employment. (United Cerebral Palsy: The Case for Inclusion 2008)

However, in contrast, when people with disabilities become employed, they reduce their reliance on various forms of public assistance such as SSI, housing supports, food stamps, energy assistance, and medical services. People with disabilities who are employed spend their income in local communities on housing, groceries, gasoline, services, and taxes. Thus they

contribute to the health of the economy. A study of persons who achieved employment through vocational rehabilitation (VR) services found that the employment of people with disabilities has a positive or multiplier impact on the economy. Conducted by the Center for Economic Development and Business Research at Wichita State University, the study showed that for each dollar earned as a result of a person with a disability going to work, there is about \$1.66 in total earnings through the economy. For each person employed, there are about 1.85 total jobs created in the overall economy.

## **Summary of SRS programs and initiatives that support employment of people with disabilities**

SRS has provided employment supports and related services to individuals with disabilities for many years through multiple programs. SRS currently has four programs that focus on employment services, three of which serve only persons with disabilities.

*Economic and Employment Supports (EES)* operates the Temporary Assistance to Needy Families (TANF) program that includes employment-related services. Disability is one of the barriers to employment documented for the TANF population. Job clubs, placement services and other support services are provided to assist eligible individuals to gain employment and reduce their reliance on cash, food and medical assistance.

*Community Supports and Services (CSS)* manages the Home and Community Based Services programs that include services to support persons with disabilities to live and work in the community. The Developmental Disabilities (DD) Waiver most directly affects work opportunities for individuals with developmental disabilities. DD Providers often provide a work-related day service or supports that empower an individual in a job in their community. Wages vary as providers sometimes utilize their sub-minimum wage certificates to set wages as allowed under Section 14(c) of the Fair Labor Standards Act. Others are competitive, integrated jobs in the community that are paid at minimum wage or higher depending on the position. Many individuals with developmental disabilities are employed in sheltered workshops where wages may range from a minimal piece rate, to sub-minimum wages or competitive wages depending on the business model implemented.

*Mental Health Services* also has an emphasis on assisting persons with severe and persistent mental illnesses to achieve successful employment outcomes. Research demonstrates that employment is a significant contributor to the recovery of persons with mental illness. This is recognized in Kansas mental health reform statute which defines community based mental health services to include access to securing employment services. In addition, SRS' contract with community mental health centers (CMHCs) includes competitive employment of persons with a severe and persistent mental illness (SPMI) as one of the contract's outcomes. SRS pays

enhanced Medicaid rates for CMHCs who demonstrate fidelity to the evidence-based practice of supported employment.

*Vocational rehabilitation (VR)* is the primary SRS program designed to assist persons with disabilities to obtain, maintain or regain employment. VR serves persons with disabilities whose disability results in a substantial impediment to employment and who need VR services to get or keep a competitive, integrated job. VR services are not limited to the type of disability a person has, nor are services limited by the type of job they choose to pursue. VR services can include services to prepare an individual to obtain a job, to assist the person in finding the job and to help them be successful once they get the job. Services can include post-secondary education or training, assistive technology, medical services, transportation, job finding services, on-the-job supports and many other types of services. In Federal Fiscal Year 2010 VR assisted 13,361 individuals to pursue employment under an individualized plan for employment. As a result of services received, 1,452 achieved competitive, integrated employment. Nearly 18% of those jobs were in professional/technical/managerial positions; 14% in office work; 13% in food service; 11% in health care; and the remainder in a wide range of work categories such as sales, production, transportation and cleaning. Wages earned as a result of VR services vary widely but averaged \$9.98 statewide.

### **Initiatives focus on employment as the first option and optimal outcome**

*The Great Expectations Initiative* is underway to promote the competitive integrated employment of Kansans with significant intellectual disabilities. This is a systems change demonstration initiative intended to reduce the number of persons participating in sheltered employment or non-work day activities. Promoting employment as a positive alternative to waiting for waiver day services, it is also intended to reduce demand for services from the HCBS DD waiver. Following a competitive bid process, direct service contracts were awarded to the Sedgwick County Developmental Disability Organization, Wichita; and the Disability Planning Organization of Kansas, Salina. These contracts will allow for best practice and innovative service delivery models to be tested in urban, mid-size and rural Kansas communities. Results will be evaluated for replication and potential impact on state level policies and funding priorities. The University of Kansas Center on Developmental Disabilities is providing technical assistance and evaluation services.

*A Capacity-Building Initiative* has also been established to improve employment and independent living services for Kansans who are blind or visually impaired. SRS is partnering with the Envision Vision Rehabilitation Center, Wichita; Alphapointe, Kansas City; and a consortium of centers for independent living headed by the Prairie Independent Living Resource Center, Hutchinson. These community organizations have received funding to hire credentialed staff, improve outreach to persons who are blind or visually impaired, and to

provide the variety of direct services necessary to assist individuals to be successful in their employment and independent living goals.

*The Employment First Workgroup* was established in July 2008. Membership includes DD providers, consumer representatives, the Kansas Health Policy Authority, SRS, the Department of Commerce and the Department of Education. The group has developed core Employment First principles and a mission statement: *The State of Kansas will establish integrated, competitive employment at a commensurate wage as the first priority for working age people with developmental disabilities.* The workgroup makes recommendations for SRS and other state agencies related to ensuring that state policies and programs emphasize employment.

*Executive Order 10-10* issued in August 2010 calls upon all state agencies to increase coordination and collaboration to provide Kansans with disabilities “optimum opportunity to be competitively employed in equal numbers to their peers without disabilities and to help Kansans with disabilities meet the human resource needs of Kansas businesses.” The Executive Order includes specific task statements, such as: developing a shared vision; identifying/revising potential disincentives to competitive employment; coordinating among state programs to maximize the employment of Kansans with disabilities; implementing new initiatives; determining baseline data; and issuing an annual report. Lead responsibility for coordination of these efforts was assigned to SRS. Several meetings have been held to begin collecting information and create greater awareness of the issues impacting employment of people with disabilities.

SRS is committed to improving opportunities for gainful employment of individuals with disabilities. We continue to work together with our many partners to ensure not only the opportunity to work, but that success is achieved.

I will be happy to answer any questions you may have. Thank you.