

Who are the people impacted by this issue?

Wisconsin's Employment First law says community integrated employment (CIE) – typical employment at a community job at regular wage – is the priority for people with disabilities. In 2021, 19% of working-aged people with a disability were employed, compared to 63.7% for people without a disability. People with disabilities face persistently lower rates of employment and earn significantly lower wages compared to their peers without disabilities. A large proportion of persons with a disability – about 8 in 10 – were considered to not be in the labor force in 2021, compared with about 3 in 10 of those with no disability.

Wisconsin's Long-Term Care system (Family Care/IRIS) data shows only 16% of the members are working in competitive-wage jobs, while 55% who are not working say they want a paid job. Nationally, studies consistently show that businesses consider people with disabilities as good for business: highly productive and easy to supervise.

Why is this issue important?

Disability can be a cause of economic insecurity because it can result in job loss or reduced earnings. Some people with disabilities also have disability expenses. When people with disabilities work, they rely less on public benefits and report better mental and physical health. The turnover rate for employees with disabilities is 8% compared to 45% for other workers; 87% of customers say they prefer companies that hire people with disabilities.

Wisconsin has had success helping people with disabilities find and keep jobs, but there is more to be done. Project SEARCH trains students with significant disabilities for a variety of jobs and has a nearly 90% employment success rate. The Division of Vocational Rehabilitation (DVR) and the Wisconsin Long-Term Care Medicaid Home and Community-Based Services Waivers support people to reach their employment goals. Wisconsin PROMISE demonstrated successful strategies for moving youth with disabilities and their families from reliance on public benefits to work and increased economic independence. Still, many people with disabilities who want to work are being left behind.

What is the role of publicly funded employment supports?

There is a significant history of legislation and programs to support people's employment and community inclusion efforts. The Americans with Disabilities Act, or ADA, enacted in 1990, based on disability. The Individuals with Disabilities Education Act, or IDEA, the same year, requires that students with disabilities be provided a "free appropriate public education" just like all other students.



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In 2014 several major legislative and programmatic efforts were enacted:

- The Workforce Innovation and Opportunity Act (WIOA) expanded access for people with disabilities to education and training programs, programs for transition-age youth, young adults transitioning to adulthood, vocational rehabilitation, and more.
- Achieving a Better Life Experience (ABLE) Act permits people with qualifying disabilities to open special savings accounts without jeopardizing eligibility for programs such as Medicaid and Supplemental Security Income, or SSI.
- Federal Medicaid Home and Community-Based Services (HCBS) Waivers established that community-based settings are a requirement including the opportunity to seek employment and work in regular employment locations.

Wisconsin became an Employment First state in 2018. This means that publicly funded programs at the Department of Public Instruction, Division of Vocational Rehabilitation, and Department of Health Services Long-Term Care that provide services and supports to working age persons with disabilities shall prioritize the competitive integrated employment.

People with disabilities use a variety of supports to find and keep a job. Youth in transition receive transition supports through their school until age 18 or 21 depending upon graduation date. This may include job training, internships, job exploration, job coaching and more. Some youth and adults may also be eligible for the state's Division of Vocational Rehabilitation (DVR) program. Most recently, the Department of Health Services (DHS) have added career and employment for youth using the Children's Long-Term Support Medicaid waivers. Adults utilize DVR and DHS services and supports related to finding and keeping a job.

DVR is a federally and state funded program administered by each state. Funding for the program is primarily provided by a federal vocational rehabilitation grant (78.7%) with state matching funds (21.3%). These funds are used to provide supports and services for people with disabilities to obtain, maintain, and advance employment. Adults who meet eligibility for the state's long-term care for programs like Family Care, IRIS and Family Care Partnership can also access employment services. People enrolled in county mental health programs may use Community Recovery Services or Individual Placement and Support (IPS). CRS helps individuals living with a mental illness reach their full potential, including employment. Currently CRS is only available in 17 counties and IPS in 22 counties in Wisconsin.

What are major concerns related to this issue?

In 2018 Wisconsin Medicaid long-term support waivers served about 43,000 working age people, yet only 3,873 were employed in Competitive Integrated Employment (CIE). This locks people with disabilities in to living at or below federal poverty level. Additionally, these are people with skills that could benefit employers who are struggling with workforce issues and as workers they would be taxpayers.

Some Wisconsin facility-based providers are shifting their business models towards community integrated employment supports to respond to families and people with disabilities who want work in the community at or above minimum wage. There should be funds for a one-time Provider Transformation effort to support employment service providers in the state's long-term care system to increase community employment. Providers would be selected through a competitive process and must meet sustainable, measurable outcomes that move people who have shown an interest in working in integrated employment into competitive-wage community jobs.

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Employment service providers were negatively impacted by the pandemic and funding. Some closed, others are still working to rebuild and have employment services be a viable line of business. Employment service providers need short term funding and long-term rate reform such as:

- Offset losses during the pandemic and address the slow recovery of revenue.
- Increase rates to providers with requirements to improve wages and benefits to workers providing vocational supports and services.
- Support efforts to recruit and retain employees including people of color, tribal members, people with disabilities and people in rural and urban areas.
- Offset increased travel and other costs affected by fuel and other cost of living increases.

Long-term care programs need to prioritize employment services for youth in transition and working aged people. Provider reimbursement rates are not aligned with the amount of work it takes to secure employment for people with the most complex disabilities. Survival Coalition recommends that DVR and DHS implement tiered rate systems which take into consideration a person's individual employment support needs, unique situations resulting from COVID-19, and prioritizes competitive integrated employment.

People with disabilities want to save their earnings without fear of losing their eligibility for the healthcare they need. ABLE accounts are tax free savings accounts offered by many states. Wisconsin is presently the only state in the country with neither a dedicated ABLE program nor a public agency or other body tasked with helping residents open and utilize ABLE accounts. This issue was studied by the Wisconsin Department of Financial Institutions (DFI) at the direction of the legislature. Their recommendation is that the Legislature (1) create a position of ABLE Officer within the Department of Financial Institutions' Office of Financial Capability, with annual program funding of \$174,960; and (2) authorize the Department of Financial Institutions to establish a state ABLE program by reintroducing and enacting 2019 [Assembly Bill 912](#) / [Senate Bill 776](#) or 2021 [Assembly Bill 496](#) / [Senate Bill 486](#). Survival Coalition supports the Legislature taking these recommended actions. The DFI should establish a state ABLE program by joining the ABLE Collaboration or the National ABLE Alliance, depending on the more favorable terms for the state and participants at the time.

Transportation is a major barrier to work as public transit routes have been cut and rural areas have limited options. Employers and communities should be supported to develop transportation solutions that help people with disabilities connect with jobs in their communities.

People with mental health needs require specialized supports to be successful in employment, which can be a key part of recovery. Currently these types of supports are not available statewide. Additionally, the funding structure only permit providers to bill for face-to-face time, yet a lot of the work on a person's behalf happens without the person being present and therefore, providers struggle with covering the cost.

Wisconsin should be a model employer of people with disabilities – making changes and accommodations to positions and hiring practices that ensure state government reflects the state's population of people with disabilities.